British Buy Nickel and Smelters

LARGEST CIRCULATION
OF ANY CANADIAN
FINANCIAL PAPER

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

CANADIAN MINING NEWS
DEPARTMENT, ON
PAGE 14

Vol. XXVI | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, AUGUST 13, 1932 | 10c a Copy; $5.00 a Year | No. 33

The Nation's Business

Conference Success Depends on Canada and U. K. Delegations

Canada's Revenues Decline Despite New Taxation

Ontario Assumes Huge Burden on St. Lawrence

Conference Calls for Statesmanship

AT THE Imperial Economic Conference, Great Britain has arrived at agreements with Australia, New Zealand, India and South Africa. These agreements are subject to the hazard of the present deadlock between the British and Canadian delegations over the Canadian proposals which have been flatly rejected by the United Kingdom delegation. Success of the conference as a whole rests upon the present negotiations between Canada and Britain.

The United Kingdom delegation feel that the Canadians have exaggerated the value of the possible new market Canada offers by its projected additional preferences. The Canadians feel that the British have grossly underestimated the value of the proposals made.

The United Kingdom delegation demand wider concessions not only on iron and steel products, but in such key industries as textiles and boots and shoes. Mr. Bennett hesitates to make further concessions, not wishing to endanger Canadian industry, lose industrial support and possibly break up his cabinet.

But the disagreement is not as great as it appeared earlier in the week.

It is at the moment only in process of settlement, but the man on the street will be encouraged by two facts:

1. Mr. Bennett must emerge from the conference with a conclusive agreement with the United Kingdom or his political future is endangered.

2. The United Kingdom must effect such an agreement with Canada or the whole scheme of Imperial preference is weakened and the continuance of the economic British Empire placed in doubt.

It is a great opportunity for statesmanship on both sides.

* * *

Canada Faces Huge Deficit

UNLESS very drastic steps are taken to curtail the expenditures of the Dominion government a serious deficit will be faced by the country for the current fiscal year. This is apparent from the revenue figures for the first three months of the present year, now belatedly released.

When Hon. E. N. Rhodes presented his budget speech to the House of Commons on April 6, last, he forecast a surplus on current account of $4,300,000.

Since he had just reported a deficit on current account of $44,000,000 for the year that had just closed and as governmental revenues were continuing to decline he proposed to obtain this surplus in two ways:

1. By reducing current expenditures by between $9,000,000 and $10,000,000;

2. By imposing a vast schedule of new taxes designed to bring in $55,000,000 of new revenue.

The new taxes are in effect and the public have been paying them. They have paid higher sales and income tax; 3 or 6 cents instead of 2 cents on every cheque; taxes on sleeping car tickets, telephone conversations, etc., etc. But the government's financial position has failed to respond to the drastic treatment administered the taxpayers. The new taxes were concrete enough but the economy was not even present in the abstract. During the first three months of the fiscal year, ended June 30 last, revenues declined and expenditures increased.

* * *

TOTAL current revenues amounted to $105,000,000, just $2,000,000 below the figure for the same months of 1931. The big decline was in customs duties, down from $32,000,000 to $21,000,000, and in excise taxes, down from $13,000,000 to $10,000,000. Income tax brought in almost as much, although Canadians had less income to be taxed; stamp and other excise taxes jumped from under $8,000,000 to about $18,000,000.

Expenditures climbed. Current expenditures for the first three months of last year were $84,500,000; this year, $99,900,000. Increase of $6,000,000 in interest is the chief item, possibly due in part to a shifting of interest dates but mainly to a larger public debt. Total expenditures, current, capital, unemployment relief, etc., apart from recoverable advances, totalled $112,000,000. Thus the government

(Continued on page 2, col. 3)

CRISIS PAST BUT TROUBLES STILL TO SOLVE

Rapid Stock Rise May Overlook Some Factors

BONDS IN FAVOR

Business Still Lagging But More Cheerful—British Foresee Dropping Bond Yields

A discussion of what the stock market rise may portend for business appears on page 7.

With New York Stock Exchange trading activity persisting throughout the last three weeks of July and the first fortnight of August without precipitating important liquidation, stock-minded business men of Canada and Europe have been greatly cheered by this striking demonstration of restored confidence and by the response of their own stock markets. In the face of a chorus repeated daily from millions of throats, "Can it last?"—the activity has most surprisingly and strongly lasted to the present writing. In the later stages public participation has assumed proportions reminiscent of the boom days in 1929 but with the extraordinary difference that the volume on rush days on the New York Stock Exchange recently came about with very little increase in marginal trading. As a matter of fact, brokerage loans on August 3 were only $1,000,000 higher than the lowest point of $332,000,000 as compared with many billions of dollars in 1929.

Lausanne Throws Light

Though rising prices for wheat and other food commodities have theoretically placed many tens of millions of dollars in farmers' pockets, the stock market rise, it has to be acknowledged, is not based on any marked improvement in steel output, automobile production, car loadings and use of electric power. If it has significance for business it is because executives hope it may forecast an improving situation as to credit, consumption and prices generally. Business men are all the more willing to believe that this may be so since light was thrown on the world's darkness by reason of the Lausanne agreement. This demonstration of ability on the part of statesmen to come to an agreement, even if only a tentative one, on world policy has had an enormous heartening effect. The unexpectedly large number of important public men in the United States taking a far-sighted rather than a parochial view of reparations, inter-Governmental debts and of other world economic problems further improved sentiment in Canada and in Europe on stock markets.

Bonds Provide Foundation

The greater strength of bonds throughout July has had an even more important effect on public sentiment than the strength in stocks. In fact, they are both part and parcel of the same improvement in sentiment. It may be that the monumental conversion scheme by the British Government released British money which has been seeking higher yields. Canadian investment bankers state, however, that the total of such buying can easily be exaggerated. It did lead to the repatriation of many "payable in London" bonds and some British money did enter the New York market.

One ordinarily conservative British house added a postscript to the letter to British clients expressing the opinion that it might be difficult before the end of 1932 to get yields on good Government bonds as high as 4 per cent. In Canada where Governments have had to do unusually expensive financing such a warning seems almost fantastic but it is an indication of the extent to which pessimism as to the future has been lifting in recent weeks.

It is recalled that the bull market in bonds ended early in 1928 so that a consistent strength in

(Continued on page 2, col. 4)

Highlights of the Week

Events and Topics That Make Articles for The Financial Post This Week

This Stock Boom

There is some justification for a turn in the market, but little for a blind upsurge in prices. The strengths and weaknesses of the sensational rally carefully defined. Page 1.

Stock market boom portends an up-turn in business only if it is confirmed by a moderate improvement in trade before stocks can sag again. What the long-term record in Canada has shown. Page 7. Hugh Bancroft's views. Page 6.

Would Wreck Parley

Trouble-making propagandists at Ottawa seek to wreck Imperial Conference and are aided by ambitious diplomats playing at intrigue, both delaying successful culmination of negotiations. Page 1.

Conference to Date

At-a-glance summary of what has happened at Ottawa during the past week, edited for the busy reader. Page 1.

Cattle Embargo

It's been a live topic for thirty years and most Canadian do not know what it is all about. Duncan Marshall has studied the British cattle embargo for many years and has taken part in official conferences on the subject. He tells what the embargo is, how it came about and how Canada has been thwarted in every attempt to remove it. Page 10.

For Better Bonds

Life insurance companies seek greater security in industrial bonds by strengthening trust deeds. Page 1.

London Buys "Nickel"

Far-seeing British interests accumulate Canadian base metal stocks, expecting preference on Canadian copper, lead and zinc. Page 1.

Can. General Group

Authentic information for investors in securities of the companies sponsored by Canadian General Securities, whose active head, W. W. Evans, has just died. Page 1.

Producing Mines

For the busy investor, a summary table of the present position of Canada's producing mines. Page 14.

Deficit Looms

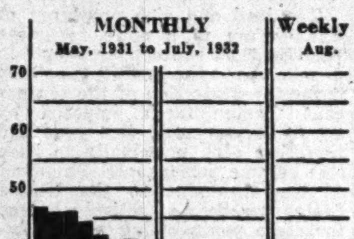
Despite heavy new taxes, designed to avert federal deficit, Canadian government finances show large deficit now in the making. "The Nation's Business" column. Page 1.

Panics of the Past

Last of the brief pen-pictures of economic crisis that Canada has weathered in days gone by. This week: 1922. Page 8.

Stock Market

20 INDUSTRIAL STOCKS



MARKET RECORD

20 Industrial Stocks	High	Low
Week of Aug. 9	32.1	28.7
Week of Aug. 2	29.6	27.3
Month of August, 1931	44.1	40.8
8 Bank Stocks		
Week of Aug. 9	172	164
Week of Aug. 2	166	160
Month of August, 1931	227	221
10 Public Utilities		
Week of Aug. 9	48	44
Week of Aug. 2	45	43
Month of August, 1931	70	65

Buywell Food Market Makes Offer to Stanford's

From Our Own Correspondent

MONTREAL. — Preferred and common stockholders of Stanford's Ltd. have been offered an exchange of securities on certain conditions. The former operated some 10 foodstuff stores and baking plant in Montreal, the business having been founded in 1906. In 1927 the company was publicly financed, $500,000 of first preferred, $200,000 of second preferred and 20,000 shares of no par value common stock issued. In September last year the company was declared bankrupt.

Buywell Food Markets Ltd. has now come forward with an offer to Stanford's shareholders. For purposes of the plan, the first and second preferred shares of Stanford's have been valued at $100 each, while the common has been given a value of $25 a share. Holders of these shares are asked to subscribe to the extent of 20 per cent of the value given to their securities toward the purchase of Buywell Food Markets preferred. They also will receive in exchange a proportionate number of Buywell no par value common shares, valuing the latter at $10 a share, in relation to the amount of Stanford's securities held.

The plan of exchange is better understood by taking a concrete case. If the holder of 10 shares of first preferred and 40 shares of common of Stanford's would have $2,000 par value of securities, he would be required to put up 20 per cent of this sum, or $400, toward the purchase of Buywell Food Markets preferred. For this $400 he would receive 10 shares of Buywell preferred. Further he would receive 200 shares of Buywell common.

It is officially stated that the Stanford Estate, holding 16,000 of the 20,000 outstanding common shares of Stanford's Ltd., is participating in this plan.

The authorized and issued capitalization of the Buywell Food Markets Ltd. consists of 50,000, 7 per cent first preferred shares of the par value of $10 each and 200,000 common shares of no par value.

EVANS GROUP OF COMPANIES TAKING STOCK

Portfolios of Investment Trusts Prove Stronger Than Anticipated

GET EXPERT AID

H. R. Jackman Called in to Assist in Management — General Securities Board Meets Aug. 15

Directors of Canadian General Securities, of Canadian General Investments, Ltd., of Traders Finance Corp., of Canadian Insurance Shares and of various other companies formed or sponsored by W. W. Evans, who died in Toronto on July 30, have already taken vigorous action looking toward the inspection of assets, the securing of competent oversight and direction and the continuance of business wherever possible.

Enough has been done to indicate that prospects for two of the investment trusts are much more hopeful than had originally been expected by outsiders, that there is a broad and continuing field open for Canadian General Securities and that Traders Finance Corp. assets are good, consisting principally of installment obligations arising from the sale of Ford products and carrying the unconditional guarantee of Ford dealers. This automobile paper is considered to have a high degree collectibility. The company continues under the able management of A. E. Naylor. Canadian Insurance Shares as holding company for Toronto General Insurance and Canadian General Insurance also appears to have a position of importance in the insurance world.

Appoint Special Committee

There are now three investment trusts of importance to the general public: Canadian General Investments, which resulted from a merger of the first and second trusts, Third Canadian General Investment Trust, and Confederation Investments, which is a holding company for certain shares of the Fourth Canadian General Investment Trust.

Directors of Canadian General Investments at a meeting held on August 5 appointed a special committee of the directors consisting of G. Harrison Smith, C. H. Carlisle and Sir Henry Drayton to confer with and assist the management. H. R. Jackman, who has been associated with the management of investment trusts for some years, has consented to assist the management staff of the three Canadian General Investment trusts. Having regard to present conditions, report made to the meeting of operations and assets of Canadian General Investments, was considered satisfactory by directors.

Holdings Large in Good Stocks

In March last Canadian General Investments published its portfolio as of December 31, 1931. Experienced investment men judged from the list that the assets of the various companies were very low in total market value, but an actual inspection of holdings shows that the situation is very much stronger than outside critics supposed. There are included a number of securities which have had knockout blows administered to them during the last two years but it turns out that these do not form as important a part of the total holdings as expected. The holdings of good stocks are very much higher and they give the company an important strength on which to build for the future.

Canadians are mainly interested in the merged trust, Canadian General Investments, and therefore the fact that there are large holdings of important and key companies is of great importance to many investors all over Canada. A large proportion of the capital invested in the Third Canadian General Investment Trust was of English origin but it also has large holdings of leading stocks as well as a number of securities which at the moment are of little value. Previous publication of portfolios did not give the number of shares held in each security and it is cheering to hear that the emphasis is to be placed on the stocks still strong or promising rather than on the others.

Protects Small "Fourth" Investor

The situation of the Fourth Canadian General Investment Trust was unfortunate in that commitments for purchase of stock were made at the peak and large blocks were underwritten in advance of selling much of the stock. When the market collapsed the Trust executive secured loans in order to live up to its purchase obligations, but the continuous depreciation of securities on a scale never before experienced by the present generation have put it in a position where any liquidation would give nothing to shareholders.

Most of the large shareholders of the Fourth Canadian General Investment Trust are taking their losses but for the sake of the smaller holders in need of dividends Confederation Investments, Ltd., was formed in November, 1930, and small shareholders of the Fourth trust were offered the privilege of exchanging their holdings for shares in the holding company on the basis of one preferred and one common share for

(Continued on page 2, col. 1)

Propaganda and Intrigue Loom Up as Obstacles to Bar Parley Success

Inspired Articles in British Press Seek to Discredit Value of Offers Made By Dominions While Ambitious Young Diplomats Play

ANTI-BRITISH GAME PLAYED BY GROUPS

Work of Conference Impeded By Propagandists Misrepresenting Genuine Progress Made From Time to Time and By Skilful Debaters Who Know Their Palmerston Backwards and Forwards

By Staff Editor

OTTAWA.—More difficulty and delay has been caused at the Imperial Economic Conference by two things than by any other factors:

1. Trouble-making articles in both the British and Canadian press, designed, apparently, to inhibit success at the parley.

2. Desire of some groups to make the conference a laboratory for experimentation in diplomacy.

The trouble-making articles have not been numerous in Canadian newspapers. On the whole, the Canadian press has been most friendly to the conference; has soft-pedalled the minor frictions and played up the basic objectives of the conference. For example, many determined Liberal journals are so seized of the necessity of successful conclusions at Ottawa that they have backed up Premier Bennett, as the prime minister of Canada, regardless of the fact that he is also head of the Conservative party and likely to gain political kudos from a favorable result of the Conference. The newspapers, that for political or other reasons have jumped at every opportunity to criticize the different negotiators, are not very numerous.

Two Papers in Toronto

The contrast between newspapers of the first type and newspapers of the second type has, to Ottawa observers, been most marked in Toronto where The Globe, independent Liberal, has molded the sort of public atmosphere in which conference results can germinate while The Star, also supposed to be independently Liberal, has given little of the actual business news of the conference but has played up sensational and often totally inaccurate stories of minor set-backs.

The more conservative British journals, such as the Times and the Morning Post, have given excellent coverage to the conference and their editorials have been helpful on the whole. But many other British newspapers have consistently pursued the policy and practice of attempting to put Canada, in particular, and the other Dominions as well in a very bad light. They have pictured the British delegates as fighting a losing battle against the selfish dictation of the Dominions.

Skilful propagandists are believed to be at work in Ottawa attempting to arouse dissension and spreading gossip of a defeatist nature.

Macdonald is Press Officer

Malcolm Macdonald, M.P., son of Prime Minister Ramsay Macdonald, has come out as liaison officer to the British delegation. Mr. Macdonald maintains little contact with Canadian newspaper correspondents but is in daily contact with the British correspondents and undoubtedly has a considerable, even if only indirect, influence upon their cables. Mr. Macdonald is one of the younger school of advanced thinkers among British laborites, friendly to the Russian experiment, and regarded as somewhat apathetic about the whole question of Empire economic development through tariffs and preferences.

Reports of the Conference appearing in many British newspapers are very unfavorable to the whole proceedings. They minimize the importance and value of proposals offered by the Dominions and tend to discredit them in the eyes of the British public.

Plays Soviet Game

One feature of this situation that makes it most disappointing to sincere Imperialists at the Conference is the fact that it plays directly into the hands of the Soviet enemies of the British Empire. Great Britain hesitates to curtail her trade with Russia. Canada is anxious to secure much of the business which Russia now gets in the British market and has designed its proposals accordingly. Russian propagandists are therefore definitely interested in belittling and discrediting the Canadian proposals. Thus much of the anti-Canadian propaganda that is being circulated around Ottawa and cabled to the Old Country plays directly into the hands of the Soviet dictators who know a thing or two themselves about propaganda.

Laboratory in Diplomatics

Too much diplomatics is the second factor that is hindering the work of the Conference, in the opinion of some shrewd observers around Ottawa. To some of the negotiators, particularly to many of the younger secretaries and experts in the British delegation, the Conference is regarded as a battle of wits in which diplomatic skill will win. There is almost daily jockeying for position and some of the people who have a hand in the Conference are prouder of the daily vantage points they gain at the expense of "opposing" delegations than of the progress made toward the ultimate, joint objective of Empire trade expansion.

It is this group who are particularly angry at the presence of so many unofficial industrialists, agriculturists, financiers and others and who spurn the thought of even nodding to practical business men when they meet them on Parliament Hill. They have attempted to bring to Ottawa the atmosphere of Geneva or the British Foreign Office. They are the ones who are most insistent that the Conference must not stoop to "mere bargaining." A meeting at which prime ministers of different countries would lay all their cards on the table and begin to trade concessions mutually would be regarded as just too shocking for words. A knowledge of diplomacy gained from studying the lives of Palmerston and Beaconsfield and of debating gained in the Oxford Union would be wasted at such a meeting.

It is this group that would turn the Conference into a mirrored hall of intrigue and debate and who are most active in using the time-honored weapon of propaganda to gain strategic political advantages from day to day.

LONDON BUYS NICKEL STOCK TARIFF LOOMS

Preference for Copper, Lead and Zinc Thought Likely

Whatever else comes out of the Imperial Economic Conference now convening at Ottawa it is likely that some sort of a trade preference will be arranged between Great Britain and Canada with respect to base metals, particularly copper, lead and zinc.

As the situation stands at present Canada enjoys a 10 per cent preferential in the British market over the producer of lead and zinc in the United States and other countries. Copper alone is on the free list of important base metals entering Great Britain. Early this year Great Britain inaugurated a general tariff of 10 per cent, in addition to the tariffs then in force, on practically all imports, but copper was not left on the free list. Application of the tariff to the Dominions was deferred to November 15, 1932.

In the interval the United States imposed a tariff of four cents per pound on imported copper, which became effective on June 20, 1932. This has effectively forced Canadian producers to seek other markets as the major portion of Canada's copper production has been going to the United States.

While no announcements have been forthcoming from the conference respecting copper preferences it is generally accepted that some agreement will be reached that will ensure Empire copper such markets as Great Britain affords.

The strength that has been displayed recently in the stock market for shares in the leading copper producers doubtless has a direct relation to the negotiations under way at the conference, as it is

(Continued on page 2, col. 5)

Pressure of Work Delays Bankrupt Act

OTTAWA. — Pressure of business due to the Imperial Conference is given by Ottawa officialdom as the reason for the new Bankruptcy Act not having been proclaimed.

This new Act, which introduces revolutionary changes into bankruptcy procedure in the Dominion and provides that henceforth all bankruptcy trustees must be licensed, will necessitate considerable organization in order to bring it into effect and according to department officials here, pressure of work prior to and during the conference has prevented this matter being brought to a satisfactory conclusion.

Considerable opposition developed to some provisions of the Act and it has also been suggested that its opponents are hopeful of obtaining some amendments this fall at the proposed special session of parliament, and before the new Act is proclaimed.

PROGRESS MADE IN U.K.-CANADA TRADE TREATY

Problems That Loomed Large Early Being Settled

ACCORD ON MONEY

By Staff Editor

OTTAWA.—For a week past the skies over the Imperial Economic Conference have been clouded but they are now breaking. Mr. Bennett has pleased the British by further concessions and the British experts have learned that they were not measuring the Canadian brief with the statistical yardstick used by the Canadian experts. After the Canadian proposals were submitted to the British delegation last Thursday, they were immediately subjected to dissection and analysis by the large staff of economic experts who accompany the British delegation. The first estimates given forth of the Canadian side that the proposals would offer an enlargement of the Canadian market for British goods to the tune of well over $100,000,000 were obviously exaggerated and unfortunate and although the figure was subsequently pared down to about $55,000,000, the British experts, after they had made a detailed investigation of the proposed new tariff schedules for British goods, would not admit any justification for such figures.

It is true that some of these experts are unsympathetic to protection in any form and must therefore be predisposed to minimize the beneficial effects of a preferential arrangement but they are first and foremost economic experts whose primary duty it is to deal with cold hard figures and their implications.

The British experts by their calculation, could not see a trade increment for Britain of much more than $10,000,000. The British delegation, when it had received and studied its experts' report, reached the conclusion that the Canadian proposals did not form an adequate basis for a real bargain. They explained informally that they had to think of some dull afternoon in October or November when Mr. Runciman would be called upon to explain to the British parlia-

(Continued on page 2, col. 2)

BIG INVESTORS MAY IMPROVE TRUST DEEDS

Life Insurance Companies Unite to Study Investment Problems

CAN FORCE ACTION

New Securities Committee May Take Preventative Measures to Save Bonds From Default

Uniting in order to exchange views on investment problems and to take such action as might lessen the number of corporation bonds going into default, Canadian life insurance companies that are members of the Canadian Life Insurance Officers' Association have formed "a securities committee" which has already held one meeting and has another scheduled for August 30. With investments in corporation bonds aggregating some $185,000,000, Canadian life insurance companies command the greatest purchasing power for this type of security in Canada and whatever action that may be taken in future by the newly formed committee will carry compelling weight that is expected to react to the advantage of the private as well as the institutional investor.

The committee is composed of one representative of each of the 45 member companies and is understood to be as yet in its formative stages. Based somewhat on the lines of the Actuaries Club the committee will form a discussion group on investment problems of life insurance companies operating in Canada. From the combined experience of the committee's members and the organization available for an intensive study of individual securities and financing practices it is expected that results can be obtained that will be highly beneficial to members companies and indirectly to other types of investors.

Examine Trust Deeds

The first problem faced by the committee was the inadequacy of the security behind industrial bonds as outlined in the trust deeds and the lack of action on the part of trust companies acting as trustees for certain industrial bond issues now in default. Numerous phases of this subject were covered recently in a series of articles published in The Financial Post and the "securities committee" of the Canadian Life Insurance Officers' Association now provides an agency with sufficient power to force adoption of sounder practices.

As the largest class of investors in Canadian corporation bonds, life insurance companies have all been affected to some degree by bond defaults that have occurred during the past two years. Individually the life insurance companies are not satisfied with the lack of action on the part of trustees preceding the time that the bonds have actually gone into default. The usual trust deed is so worded that no obligation is placed upon the trustee to notify bondholders of existing conditions. In other cases it has been found that contracts undertaken without the knowledge of investors have seriously prejudiced the position of the bonds.

First Preventive Body

The newly formed "securities committee" would appear to represent the first effort on the part of Canadian investors to co-operate in the prevention of bond defaults. In numerous cases the Canadian institutional investors have merged their interests after a default has occurred, have formed, or secured representation on, protective committees and have sought to reduce losses to a minimum. Through the

(Continued on page 2, col. 4)

Far East Buys B. C. Newsprint But Swedes Nab Other Lines

From Our Own Correspondent

VANCOUVER. — Swedish competition is proving too strong in Australia for British Columbia manufacturers of paper products who a few months ago dominated a section of that market, but in the Far East the newsprint industry is offsetting this loss to some extent.

Companies such as Westminster Paper Company shipped large volume of wrapping paper and specialties to Australia and New Zealand, but this business is now practically non-existent, according to J. J. Herb, president of the company. The fact that Swedish exchange amounts to about 40 per cent on the dollar has wrecked the chances of Canadians from selling in that market without substantial preference.

Paper products such as fruit wraps are not on the preferred tariff, but newsprint, which enjoys a tariff advantage, is still selling well in that market.

One of the most hopeful indications of market expansion, however, comes from the Orient. R. H Scanlon, of the Powell River Company, British Columbia's leading newsprint producer, returned from Japan recently, reporting favorable conditions for the marketing of Canadian paper.

Hon. Herbert Marler, Canada's minister to Japan, credits Mr. Scanlon and similar representatives of Canadian industry with persuading Japan to purchase newsprint in this country. Two years ago Japan bought virtually no newsprint in Canada, but last year $2,000,000 worth was bought and sales will probably be greater this year. Due to the development of the Japanese market Powell River Company has been able to operate its mills five days a week instead of three.

The Chinese market for Canadian paper is also growing. Newsprint valued at $5,000,000 was bought from Canada by China last year, and kraft and other grades of paper valued at $1,000,000 were disposed of in the same market.

Investor's Index

MINES AND OILS

Algoma Steel	4	Loblaw	3
Beauharnois	5	No.'west Power	4
B. A. Oil	9	Ont. Equitable	11
Claude Neon	10	Ont. Pr. Service	5
Comm. Credit	13	Pacific Term.	5
Can. No. Pr.	4	Price Bros.	4
Can. Celanese	9	Service Stations	9
Can. Industries	13	So. Can. Power	4
C. P. R.	4	Stanfords	1
Dom. Gas	5	Supertest	9
Donnacona	3	Van. Georgia H.	5
Fraser Cos.	4	Wabasso Cotton	4
Hamilton Bridge	10	Windsor Hotel	5
Intl. Prop.	9		

INDUSTRIALS, UTILITIES, ETC.

Atlan. Keystone	14	Granada	14
Beattie	14	Hylo	14
Brett Treth.	14	Mining Corp.	14
Cen. Manitoba	14	N. B. Mining	14
Dome	14	Paymaster	14
Falconbridge	14	Siscoe	14
Georgia River	14	Sullivan Gold	14
		Ventures	14

QUOTATIONS

Bonds	12	Mines	13
Grain	12	Stocks	12

REGULAR DEPARTMENTS

Answers to Enquiries	9
Business	7
Banking	11
Editorial	6
Insurance	11
Mining	14
Utilities and Transportation	4

The Nation's Business

(Continued from Page One)

went behind—that is to say the national debt increased—by $7,000,000 during the period when large income tax payments should have been piling up a surplus for leaner months. Last year the surplus during the period was $18,000,000. Thus the government's financial results for the first quarter were just $25,000,000 worse than they were a year ago.

* * *

MR. RHODES forecast a surplus of $4,300,000. He admitted that this would be before allowing for unemployment relief expenditures and C. N. R. financing. On the same basis as his estimate, he ended the first quarter of his year with a surplus of between $5,000,000 and $6,000,000. Last year at the same time his surplus, on current account, was $23,000,000. Yet he ended the year with a deficit on current account of $44,000,000.

It is obvious that the country is headed for another very large deficit on current account to which will have to be added the additional deficits on account of unemployment relief, the possible loss of anything up to $15,000,000 on wheat pool bank loan guarantees, the deficits on the Canadian National Railways and the Canadian Government Merchant Marine, and further non-productive loans to harbor boards, etc.

When the minister of finance estimated that the government's surplus on current account would this year reach $4,300,000 The Financial Post expressed the opinion that the true deficit would reach at least $64,000,000. Present indications are that it may run closer to $100,000,000.

* * *

THE government has adopted a new style for issuing its financial statements. The figures are published one month later than formerly; they provide no comparisons with previous year's figures; and the usual statement on the country's national debt is entirely missing.

The suspicion is strong that the debt statement is missing because Ottawa does not want the country to know how badly it is running behind, due to the failure to bring governmental expenditures in line with the lower government revenues.

Ontario's $67,000,000 Only the Beginning

DEVELOPMENT of power facilities of the International Section of the St. Lawrence River is going to cost Ontario a great deal more than the public generally appreciate. With the first general broadcast of the signing of the treaty between Canada and the United States, it was stated that Ontario's proportion of the cost of this joint development would be $67,000,000. Considerable stress also was laid on the point that in return for this expenditure Ontario would receive 1,000,000 h.p. of electrical energy to be developed at two points on the river.

This is true in so far as it goes. At the same time it is worthwhile pointing out in these days of surplus power supplies that the expenditure of $67,000,000 on the part of Ontario will not produce one horsepower of electrical energy for the province. It should be said that the $67,000,000 covers only Ontario's share of the cost of creating the channel and the substructure works for the power plants and not one cent for the plants, generators and transmission lines.

* * *

IN ORDER to secure its share of the proposed 2,000,000 h.p. development, it will be necessary for the Province of Ontario to provide the power house superstructure and power house equipment, as well as transmission lines to carry the energy to market, before any power can be used from the International Section.

At a conservative estimate, it is figured that in the neighborhood of $37,000,000 will be needed to cover the cost of the superstructure, turbines, generators, etc. Interest charges during construction will take $13,000,000 at least. In other words for Ontario to secure 1,000,000 h.p. of electrical energy from the joint navigation and power development of the International Section of the St. Lawrence River, she will have to find $117,000,000 and possibly more, rather than $67,000,000 as originally stated.

* * *

THE treaty does not specifically state that the power house superstructure and equipment must be installed, but it is the implied understanding of both signatories of the treaty that the power resources will be developed. Certainly New York State will be insistent upon this point if the treaty receives the sanction of both governments and the work proceeded with.

For $67,000,000 Ontario acquires the Canadian rights in the International Section. The province may not find it convenient to raise this large additional sum to develop the power. In this event there is probably no reason why the rights might not be sold to private interests. This would lighten the load, but it would be an overwhelming reversal of policy by a government which has long advocated and supported public ownership.

Gives Bad Report Of Merchant Marine

Further evidence of the unsound manner in which Canada has poured taxpayers' money into merchant marine activities is indicated by the following excerpt from the 1932 report of His Majesty's Consul General at Havana, and covering economic conditions in Cuba:

"Early in December, 1931, the Canadian National Steamship Co. inaugurated a regular cargo service between Cuba and Canada with the 'Canadian Farmer,' which cleared from Montreal and Halifax for Havana and other Cuban ports. Up to March, 1, 1932, only two sailings had been made and some doubt is expressed as to whether there will be sufficient cargo offering here to maintain the service as a profitable venture."

COAST IS READY TO SHIP LUMBER TO GREAT BRITAIN

Mills Anxious to Get Orders Which Mean Revival

From Our Own Correspondent

VANCOUVER.—Should negotiations at the Empire Economic Conference result in the placement of lumber orders in British Columbia totalling half a billion feet annually, the effect on the unemployment situation in this province would be most heartening, according to T. H. Wilkinson, secretary-manager of the British Columbia Lumber & Shingle Manufacturers' Association.

At present, Mr. Wilkinson explained, lumber production in British Columbia is barely 25 per cent of capacity, and probably three quarters of the industry's personnel, including many highly skilled and expert workmen, are idle. Many of these workers form, with their wives and families, the main working population of community towns of considerable importance.

EVANS GROUP OF COMPANIES TAKING STOCK

(Continued from page 1)

each share held. The object of the exchange was to ensure dividends for the small shareholders of the fourth trust, the $5 annual non-cumulative dividend on the preferred shares of the holding company being guaranteed to the extent of $3 per annum for three years to the end of 1933 by Canadian General Securities. The coming back of the Fourth trust is not impossible but it will naturally be a long, slow process, dependent on important improvement in stock market valuations. Shares exchanged were 2,882.

It is understood that recent improvement in the market has added a large sum market valuation of assets of the trusts.

Board Meets in Winnipeg

Canadian General Securities, which was built up by W. W. Evans in the first place and which is in the centre of the picture for all the various "Evans" companies, will have its future management and policies discussed at a directors meeting in Winnipeg on August 15. It was there the company was given its first impetus by Mr. Evans and it has important affiliations there. There are 20 to 30 shareholders other than Mr. Evans. Rt. Hon. Arthur Meighen was vice-president and general counsel but until his death management of this company was practically in the hands of Mr. Evans.

Canadian General Securities holds important assets, not only a large interest in the many "Evans" companies but holdings as well in many outside companies. Latter assets will depend on market movements of the next few years but holdings of associated companies will depend on management and nurture of various subsidiaries.

Traders Finance Corp., in its last balance sheet showed tangible assets of nearly $6,700,000 against which were bank loans of $2,534,000 and other liabilities which apparently left a surplus of about $3,000,000 available for shareholders. Profit and loss account in 1931 dropped from $570,675 to $85,821 after paying preferred dividends and providing $430,401 for bad and doubtful debts.

PROGRESS MADE IN U. K. - CANADA TRADE TREATY

(Continued from page 1)

ment the details of his bargain with Canada and Mr. Lloyd George would rise from his accustomed place and after pointing out in sorrowful tones that the terrible burden of food taxes, which Peel and Cobden had removed, had been placed once more on the necks of the British people, would blandly ask the president of the board of trade to state explicitly just how many factory wheels were to be set moving in Lancashire and Yorkshire by the Canadian concessions and how many of the unemployed were likely to find work for them.

Baldwin Turns It Down

The British conclusion was that the Canadian offer as it stood would not yield them any effective defence for the imposition of food taxes and so last week-end Mr. Baldwin who had the whole of his delegation behind him, addressed a letter to Prime Minister Bennett intimating that the Canadian proposals in their original form were completely unacceptable to them.

The British note drew attention to the grave discrepancies between the trade values set upon the Canadian proposals by the British and Canadian experts and argued that the proposals were not in conformity with the principles about Imperial economic co-operation laid down by Bennett in his opening speech. It also reiterated their desire that Anglo-Canadian trade should be enlarged by reductions in the duties on British goods rather than by widening the margin of preference through increases in the general tariff. The note was courteous but firm and it left the door wide open for the further negotiations which it invited. Conservations subsequently took place between Mr. Bennett and different British ministers and as a result the experts on both such were set to work in conference to try and reconcile their differences. Some of these differences arise from the fact that the two sides were working on different bases of calculation but the figures apparently are seriously divergent all along the line. On the Canadian side however it is now admitted that the iron and steel proposals were framed under a serious miscalculation of their value to Britain. They have been withdrawn and there have since been forwarded to the British amended proposals about iron and steel, which go far to satisfy their desires in these lines. The experts at the time of writing are still at work and further amendments of varying degree are expected in the Canadian proposals.

Pressure on Bennett

The British claim to have in sight very satisfactory trade agreements with the other Dominions and India and early this week there was looming up the possibility that any sort of bargain between Canada and Britain might prove impossible and Canada would be left out without the general economic concordate arrived at by the rest of the commonwealth. Obviously such a development would leave the Bennett ministry in an unenviable situation and an editorial appearing in Wednesday's Montreal Gazette which severely criticizes Mr. Bennett's management of the conference and urged a conciliatory attitude indicates that powerful influences in the Conservative party are exerting themselves to end the impasse which has developed between Britain and Canada.

British ministers on their part are fully conscious of the nature of Mr. Bennett's difficulties and are not disposed to press him too hard. Indeed they have intimated their willingness to modify their original demands and the way seems now to be opening for a satisfactory compromise agreement .

Much Progress

Very profitable work has been accomplished by different subcommittees and in many directions excellent progress has been recorded The report of the committee on monetary and financial problems is practically complete and its work has been facilitated by a tacit discussion to rule out discussion of such projects as a super bank for the Empire, a common imperial currency and bimetallism. The report will be a definite endorsement of the financial policy followed by Britain in recent months and a plea for other countries to follow her example. It will suggest that at the approaching world monetary conference the British Empire should do everything possible in co-operation with countries still on gold standard to bring about a rise in commodity prices. There will be no attempt to outline any new policy and one result of the committee's work had been to secure a virtual agreement between the countries of the Commonwealth that they will work in union at the international monetary conference.

BIG INVESTORS MAY IMPROVE TRUST DEEDS

(Continued from page 1)

"securities committee" it is felt that it may be possible to aid in the rehabilitation of companies in difficulties and thereby avoid bond defaults that would otherwise occur. Through concerted action of member companies it would also be possible to strengthen trust deed provisions and exercise some degree of supervision of new industrial bond flotations.

Members of the "securities committee" are all responsible executives closely in touch with the investment problems of their respective companies. If through formal or informal action of the committee any new security was not considered satisfactory for investment by the life insurance companies it would practically mean that the financing could not be accomplished until the provisions of the bond issue had been redrafted to the satisfaction of the committee. While it is probable that the committee would not care to state arbitrarily that a security was not acceptable the feeling of the committee would be passed on to the investment committee of each of the Canadian Life insurance companies represented.

With the record of the past two years in mind, executives of Canadian life insurance companies feel that their attitude toward new corporation bonds and particularly industrial bonds will be extremely conservative in the future. This attitude will undoubtedly be reflected by the "securities committee." Needed changes that can be effected by this committee in the field of corporate financing may be expected to affect trust companies, investment banking houses and all classes of investors.

CRISIS PAST BUT TROUBLES STILL TO SOLVE

(Continued from page 1)

bonds is expected for a considerable period before stock market prices do more than recover from the levels where a philosophy of defeatism had carried them. Spectacular as recent rises have been they have done no more than partially to retrace the losses made earlier in 1932. Short sellers have been driven to cover on many stocks but they can be depended on to make a drive against the market whenever it shows signs of weakness. Setbacks are expected, and too eager speculators will be nipped again. That was their experience often in the boom market of 1929 and will be again in the next bull market.

Were Eight False Starts

Since the bear market began late in 1929 there have been eight revivals which proved flops. A dollar buys in many important stocks six times as much as it could buy in 1929 and therefore the feeling of bargains to be had is more strongly operative in the present market than in the eight other active periods. Investors are inclined to believe that, whatever slumps there may be, their purchases just now on the long view will prove remunerative. The speculator will incline to be more cautious every day that the rise proceeds in the knowledge that too frantic buying always produces technical weaknesses and consequent recessions.

Probably one of the factors most present to the United States public's mind is the $1,500,000,000 of new funds given the Reconstruction Finance Corp. for public construction work. The end in view is to stimulate employment. There are slum clearance projects, loans for railroads which will need equipment, establishment of home loan banks to hasten residential building, and credit provisions which are expected to result in large increases in orders to industries. Railroads, for instance, will have to retire half a million obsolete freight cars in the next four years.

The talk of inflation in the United States has also had some effect. People are told that money may become worth less and therefore that they would do well to buy products, equities and services. But mainly the rising market appears to be a rebound from too low levels. Nobody seems to expect rising profits for a while.

Canada's Ups and Downs

In Canada the tendency to follow New York received a sharp check when C. P. R. deferred its dividend. Stocks had been rising but fell off on this news and others went lower in sympathy. Yet hopes are still high and may survive any market setback because of the expectation that Western Canada will have in 1932 the best crop in four years, that something at least may come out of the Imperial Economic Conference and that financial connections once more re-established with London will become even closer and more valuable.

As an indication both of the glaring fall in confidence and the recent recovery the following table shows the high point in 1932, the low point and the close on August 9 after some setback in the general market in Canada:

	High 1932	Low 1932	Close Aug. 9
Bell Tel.	120	75	92½
Brazilian	14¾	7¾	10¼
C. P. R.	22¼	8½	14½
Dom. Stores	20	13	18
Int. Nickel	11	4	8½
Imperial Oil	10½	7⅝	10¾
Int. Petroleum	12⅛	9½	12½
Montreal Power	38	20½	33½
Nat. Breweries	24	9½	16½
Nat. Steel Car	12½	6	9⅝
Noranda	19¼	12½	18
Page Hersey	68	35	55
Steel of Can.	24	10½	19
Consumers Gas	166	142	165
L. Secord	39	28	36
Ford (Can.)	16¾	5½	9¾
Goodyear Tire	82	38	70
Dom. Bridge	27	9	18½

Many Problems Yet to Solve

Impressive as the recent outburst of confidence is, Canadian traders are urged by Canadian banks to keep their feet on the ground. There are grave and difficult international problems yet to solve; European governmental debts to the United States remain unadjusted; and reparations problems cannot be treated as though they have been definitely put to one side. War debts still bear heavily on populations of European countries. All the talk of a new international monetary system or of restoration of the gold standard has not yet brought the world appreciably nearer to settlement of currency difficulties. High tariffs and weakness in exchange stand in the way of important increases in world trade. The principal favorable factor is an increasing willingness of statesmen to meet each other with the object of getting some settlement of compromise value to all.

The problems raised by the severe deflation of commodity prices are not yet solved. For many companies wage scales are too high in relation to the average cost of commodities and the prices being received by farmers and other primary producers. Taxes are far too high, and governments must get their costs down from 25 to 30 per cent if business is to get important relief in this respect. Great Britain is making important advances in that respect but Canada has little more than gestures to show as yet.

LONDON BUYS NICKEL STOCK TARIFF LOOMS

(Continued from page 1)

anticipated that, if Empire copper markets is reserved for the Empire production, these companies will benefit directly.

International Nickel, Canada's largest copper producer, has shown unexpected strength in the market despite recent announcements that operations were to be further curtailed. That the strength is reflecting buying by Great Britain is the accepted explanation in well informed circles, with the Imperial Chemical Industries affiliations playing a leading rôle. It is of particular interest that British groups should now be increasing their holdings of International Nickel as following the merger of the Mond Company with International they were credited with being the heavy sellers, unloading their holding at near top prices.

While nickel is the controlling product of International Nickel any increase in copper output or any advance in price would accrue to its immediate advantage.

Just what position Canada holds with respect to copper production and consumption is told by the following tabulations:

Copper Production (Short Tons)

	1931	1930	1929
Canada	146,152	151,739	124,060
U. S.	524,631	710,690	1,026,348
Africa	169,332	181,521	172,561
World	1,501,486	1,749,598	2,127,884

Copper Consumption (Short Tons)

	1931	1930	1929
Canada	17,290	19,850	23,700
U. S.	600,000	808,000	1,120,000
U. K.	130,500	160,500	165,000
World	1,407,000	1,715,000	2,085,000

With Canada's principal copper market, the United States, now shut off, it becomes obvious that if the industry is to continue to thrive it must seek other markets, preferably Empire markets. It will be seen that the percentage of the domestic consumption of copper has been declining as greater production has been brought in, with the estimated Canadian consumption of copper in 1931 less than 12 per cent of the output. Canadian production is in excess of the estimated copper consumption of Great Britain.

A survey of the sources of British imports of copper in its various raw, refined and semi-fabricated forms, tells an interesting story of what countries have been enjoying this market. The classification is such that a more detailed picture is not possible. However the first item in the following tabulation includes more or less raw products. In this classification it will be seen that Canada, at the present time has over one-half of the trade. This is due principally to the copper-nickel matte shipped by International Nickel to its subsidiary, the Mond Nickel Co., at Clydach, Wales, for refining.

The big market in Great Britain for copper is in the form of blocks, slabs, ingots and cakes. In the following tabulation it will be seen that United States has been the leading shipper to the exclusion of Canada. Reports of 1932 imports will of course see Canada in this classification.

It is only in the past two years that Canada has been equipped with copper refineries that would enable it to participate in this market. Late in 1930 the new copper refinery of the Ontario Refining Co. at Copper Cliff went into production. International Nickel has a 42 per cent interest in this refinery, which is located adjoining its main copper smelter. The other operating copper refinery is that of the Canadian Copper Refiners, at Montreal East, a subsidiary of Noranda Mines, Canada's second largest copper producer, whose output in 1932 will doubtless place it first.

In 1931 the approximate percentage of Canada's copper production by the principal mines was—International Nickel 26 per cent; Noranda 21 per cent; Granby 12½ per cent; Hudson Bay 12 per cent and Britannia 9½ per cent. Of these all except Britannia produce blister copper which is refined in Canada, and therefore have a product in marketable form.

The following tabulation shows the respective copper imports of Great Britain.

Copper Imports of Great Britain (In Long Tons)

	1931	1930	1929
(Copper ore, matte, precipitate, cement copper and scale)			
Canada	18,325	22,386	14,146
Total	35,651	46,823	39,051
(Copper blocks, slabs, ingots and cakes)			
Canada	nil	nil	nil
U. S.	44,847	64,067	85,944
Chili	44,553	50,098	51,234
Australia	9,342	7,999	2,514
Other	31,925	22,884	14,020
Total	130,696	145,048	153,712

Note:—Of these imports 4,347 tons were re-exported in 1931; 4,729 tons in 1930 and 6,108 tons in 1929.

	1931	1930	1929
(Copper plates, sheets, strips and rods)			
Canada	nil	nil	nil
U. S.	11,223	15,083	12,838
Other	19,853	13,377	5,460
Total	31,076	28,460	18,298

The lead and zinc producers of Canada are in a more fortunate position than the copper people in as much as at the present time they enjoy the protection of the ten per cent foreign tariff imposed by Great Britain early this year and therefore seek principally to have this become permanent. Shipment of lead and zinc to the United States has been effectively barred for some years owing to the imposition of a tariff similar to that recently imposed against copper.

The Consolidated Mining & Smelting Co. at Trail, B.C., produce approximately 85 per cent of Canada's lead and zinc output from the ore of the Sullivan mine. The balance of the lead output is made of miscellaneous small shippers. The Hudson Bay Mining & Smelting Co. at Flin Flon, Manitoba, is the second largest producer of zinc in Canada and accounts for the balance or about 15 per cent of the total production.

The following tabulation shows the production of these two metals in Canada the past three years.

Canada Lead Production

	1931	1930	1929
Canada	133,169	166,447	163,261

Note:—Of this production 102,235 tons was in the form of refined lead produced in 1930 and 102,225 in 1929. Canada's estimated lead consumption was 30,142 tons in 1930 and 37,629 in 1929.

Canada Zinc Production

	1931	1930	1929
Canada	118,622	133,621	98,633

The market in Great Britain for Canadian lead has shown a steady trend in recent years with the importation of the United States product declining and the imports of the Australian product increasing.

The following tabulation shows the source of the lead importations of Great Britain the past three years.

Lead Imports by Great Britain

Pig and Sheet	1931	1930	1929
Canada	39,189	42,854	46,515
U. S.	55,177	103,712	68,136
Spain	13,865	11,712	17,106
Mexico	26,865	1,850	16,400
Australia	110,208	103,611	90,436
Other	65,284	71,471	58,689
Total	309,988	335,299	297,282

Canada and Australia made big advances in 1931 as a source of zinc for Great Britain, while the United States, Belgium and Germany showed a decline.

The following tabulation shows the source of Great Britain's zinc supply the past three years.

Zinc Imports by Great Britain (Slabs, blocks and cakes)

	1931	1930	1929
Canada	63,373	38,997	20,036
U. S.	12,080	16,458	17,339
Belgium	2,081	19,423	42,252
Australia	27,698	10,272	12,688
Germany	16,463	31,119	33,817
Other	23,811	19,115	16,298
Total	145,506	135,384	142,430

Canterbury
OXFORDS for MEN
PAIR $7.00
The pick of fine leathers . . . a particularly high degree of craftsmanship . . . these make Canterbury Oxfords the ideal choice of men who express their good taste in the buying of better footwear.
Calf or kid leathers in a range of models to satisfy the most particular man's fancy. Come in and see them. They offer value, we believe, unsurpassed in Canada at the price.
Second Floor, Queen and James Streets
T. EATON Co LIMITED

STEEL TANKS
STORAGE AND PRESSURE
LARGE OR SMALL
VERTICAL AND HORIZONTAL
THE TORONTO IRON WORKS LTD.
HEAD OFFICE: TORONTO WORKS:
ROYAL BANK BLDG. EASTERN AVENUE
MONTREAL: NEW BIRKS BUILDING

Income—or Increase in Principal?
THE AVERAGE appreciation in the 21 stocks we recommended in our circular letter of June 20 has been 53%. We have added several other securities to our original list, and a copy will be sent on request.
F. H. DEACON & CO.
Members: Toronto Stock Exchange
227 BAY ST. — TORONTO
ELGIN 3401

On Duty Throughout CANADA
THE services we render to Canada and to Canadians cover every phase of banking and finance. There is no business interest anywhere in the Dominion which cannot find in a nearby local Branch of the Bank of Montreal every facility consistent with sound banking and prompt and helpful service, backed by organization, resources, and reputation.
BANK OF MONTREAL
Established 1817
TOTAL ASSETS IN EXCESS OF $700,000,000

Canadian Pacific Express Travellers Cheques Are World Currency
Carry them on your next trip and be assured of travel comfort.
Get them from any agent of the Canadian Pacific & most Banks

INVESTORS' CHRONICLE
6d. Established 1860 6d.
Has the Largest Net Sales of any Weekly Financial Newspaper in Great Britain.
Under the head of "OVERSEAS FINANCE," a weekly feature, the Foreign Exchanges and the factors that affect them are carefully reviewed by cable and mail.
Special Correspondents at all Financial Centres at Home and Abroad. Signed articles appear in each issue on Economic Subjects.
A free specimen copy will be forwarded on post-card application to:—
THE PUBLISHER,
INVESTORS' CHRONICLE,
20, BISHOPSGATE,
LONDON, E.C. 2, ENG.

Ask for
Kuntz's
LIME RICKEY
Made by
THE
Kuntz Brewery
LIMITED
Waterloo and Toronto
No. 61

Municipal Bond News
FOR over forty years this organization has been devoting its efforts exclusively to the publication of accurate State and municipal bond news. Not "flash" items or rumors, but carefully prepared news covering all the technical requirements of the municipal market have been responsible for its recognition as "The Authority on Municipal Bonds." It is, therefore, the logical medium for municipal bond sale advertising.
Daily and Weekly Editions.
THE BOND BUYER
Since 1891
"The Authority on Municipal Bonds"
67 Pearl Street New York, N.Y.

Black & Armstrong
Real Estate, Valuations, Rentals, Farm Lands, Mortgages and Insurance.
200 Toronto General Trusts Bldg.,
Winnipeg, Manitoba

ENVELOPES
MACHINE OR HAND MADE
PRINTED OR PLAIN
TORONTO ENVELOPE CO., LTD.
368 ADELAIDE ST., WEST
TORONTO 2

TOOLE, PEET & CO.
LIMITED
FINANCIAL AGENTS
Appraisers and Valuators
Estates Managed
CALGARY - CANADA

WESTERN SAVINGS and LOAN ASSOCIATION
FIRST MORTGAGE LOANS
Agencies: throughout Manitoba, Saskatchewan and Alberta
Head Office: WINNIPEG, MAN.

JOHN COTTON'S
TOBACCOS
"Scotland's Best"

Mere adjectives will not do justice to a good tobacco. Mere adjectives may not even carry conviction.
But the fact that, of fine tobaccos, JOHN COTTON'S —"Scotland's Best" stands out as finest—is a fact more easily proved by smoking than by words.
In three strengths — Mild - Medium - Strong
1 ounce tin, 25c 2 ounce tin, 50c 4 ounce tin, $1.00
JOHN COTTON'S EXPORT VIRGINIA CIGARETTES
in Boxes of Twenty-five and Fifty
Sole Agents for Canada:
CLARK, FRUITIER & Co., Limited
1016 Beaver Hall Hill - Montreal
10

Do You Ever Worry?
Don't let the safety of your Securities and Papers of value worry you. Just gather them together in a Safety Box in our vault.
We are glad to relieve you of this worry with less cost to you than the price of a daily paper.
383
IMPERIAL BANK OF CANADA
HEAD OFFICE - TORONTO
Capital and Reserve $15,000,000
FRANK A. ROLPH, President
Col. J. F. Michie, Vice-President R. S. Waldie, Vice-President
A. E. Phipps, General Manager
230 BRANCHES THROUGHOUT CANADA

MUTUAL DISTRUST AMONG NATIONS CAUSE OF CRISIS

Williamstown Institute Blames Nationalism for Collapse

PROBE BOND ISSUES

Bankers Under Fire for Easy Loans to South American Countries But Bankers Blame Public

By A. F. W. PLUMPTRE,
Lecturer on Money, University of Toronto

WILLIAMSTOWN, Mass.—Narrow Nationalism or Economic Efficiency—this seems to be the crux of the world problem as it is gradually being analyzed by the various conferences at the Williamstown Institute of Politics.

The development of economic efficiency during the last century was based upon a number of principles which were put into practice. Dr. Herbert von Beckerath, of the University of Bonn, Germany, pointed out that these principles included self-preservation, self-responsibility, competition, and rights of private property and private contract. Given a large measure of these, the capitalist organization can stand a larger increase of interference by governments. But such interference is deadly when it is unstable in principles and variable in its application.

Stable tariffs are tolerable, and may be desirable. But fluctuating tariffs kill trade only less quickly than quota restrictions which allow only a certain amount of goods to enter a country no matter how great the demand. Quotas undermine the whole basis of profitable exchange and international specialization of industries. And, more recently, to the tangled mass of quotas and tariffs which the world has raised, have been added the final obstacles of fluctuating exchange rates. It is little wonder that a Cambridge professor recently wrote that he expected soon to stop lecturing upon "the obsolete subject of international trade."

Nationalists Map Europe

Before the war and, to some extent afterwards an international economic system developed which worked with surprising efficiency considering the absence of any general supervision or control. A clue to the partial breakdown of the system may be found in a statement made by Professor Beruadotte Schmitt, of the University of Chicago: "The basis of the post-war peace treaties," he said, "was the principle of nationalism. There was no better basis available at the time upon which to re-draw the map of Europe." Consequently the result was a nationalist's and not an economist's map.

The intense national feeling of the small countries of southeastern Europe is too well known to need further stress. Self-sufficiency and economic independence was a goal which they could only achieve by sacrificing their standards of living which were based upon exchange of goods and international specialization of industries. They have suceeded in making the sacrifices; but not in attaining the goal. And thus they remain more discontented than ever.

The situation is made the more difficult, as M. Pierre Lyautey, the French journalist, remarked, by the suspicions which are attached to generous and broad-minded proposals. Two years ago, for instance, a "tariff truce" was proposed and while the proposition was still in the air all the little nations began raising their tariffs, in case they should be "caught short" by the truce.

Uninformed Populace

Nor can those statesmen and business leaders, who see the problem clearly, always put the practical solution into effect because of the large bodies of unenlightened electorates. The middle-west of the United States has become a byword for political ignorance and short-sightedness.

In Great Britain, too, said Arnold Toynbee of the Royal Institute of International Affairs, there is a comparable body of opinion. This body has one attitude toward Europe—resentment at being so near it and jealousy of the United States for being so far away. This opinion regards the European nations as so many quarrelsome dogs. In its fear that it may be seriously bitten it is always willing to aid the under-dog—France before the war, Germany after it—and pull the tail of the top-dog. Therefore Great Britain, unlike the continental powers, is never willing to take full advantage of her victories. And this vacillating policy is most annoying and incomprehensible to her "allies."

Two Groups in Europe

Such an attitude is an encouragement to Europe to align itself into too groups of powers of roughly equal military and economic power, which history has shown to be an extremely dangerous situation. For this reason France, because she has lacked British support since the war, has considered it increasingly necessary to spread her economic and financial influence and to make a variety of political treaties with various European powers. This, in turn, has stimulated the growth of the reactionary, nationalist parties which made such sweeping gains in the German elections last month. The attitude of France might also have been more liberal and conciliatory, claimed Prof. Gaston Gilles, of the College of New York, if the United States had been willing to ratify the covenant of the League of Nations or give other guarantees of security against such "invasions" of France as have occurred three times during the past century.

Basic Cause of Depression

The general feeling of the Williamstown conferences seems to be that, whatever the economics of the situation may be, the roots of our present trouble lie deeper in the mutual distrust and animosities of the various nations. But the conference has been dominated, so far, by the views of European observers; and it is interesting to note the reaction of this point of view upon the Americans who, for the most part, are thinking of the depression in terms of economic causes and economic cures. To the Europeans the peculiar features of the present slump appear to lie, not so much in a changing economic order, but in the psychology of national groups and in the limitations which the people impose upon their politicians. The crying need, on these grounds, is not so much for economic remedies and palliatives as for "peace, order and good government" throughout the world.

Taking Investors for Ride

The conference had a warm discussion of the high-pressure salesmanship that put over on American and Canadian investors six billion of South American bonds now worth about one billion dollars.

Bankers and their "high-powered" bond salesmen, who disposed of billions of dollars in Latin-American bonds to the public, were sharply criticised but they found defenders who blamed "the greed of the public" for higher returns as the cause of the issuance of the securities now in default.

Several suggestions were made for remedying the state of affairs resulting from the collapse in South American issues. One was for the organization of a body like the Council of Foreign Bondholders in Great Britain to deal with the problem of default; another the formation of a wholly disinterested committee to act as a clearing house for information and advice when the United States again begins to consider lending abroad.

HARDWARE TRADE EXPECT GOOD FALL

Rise in Prices and Good Wheat Crop Encouraging

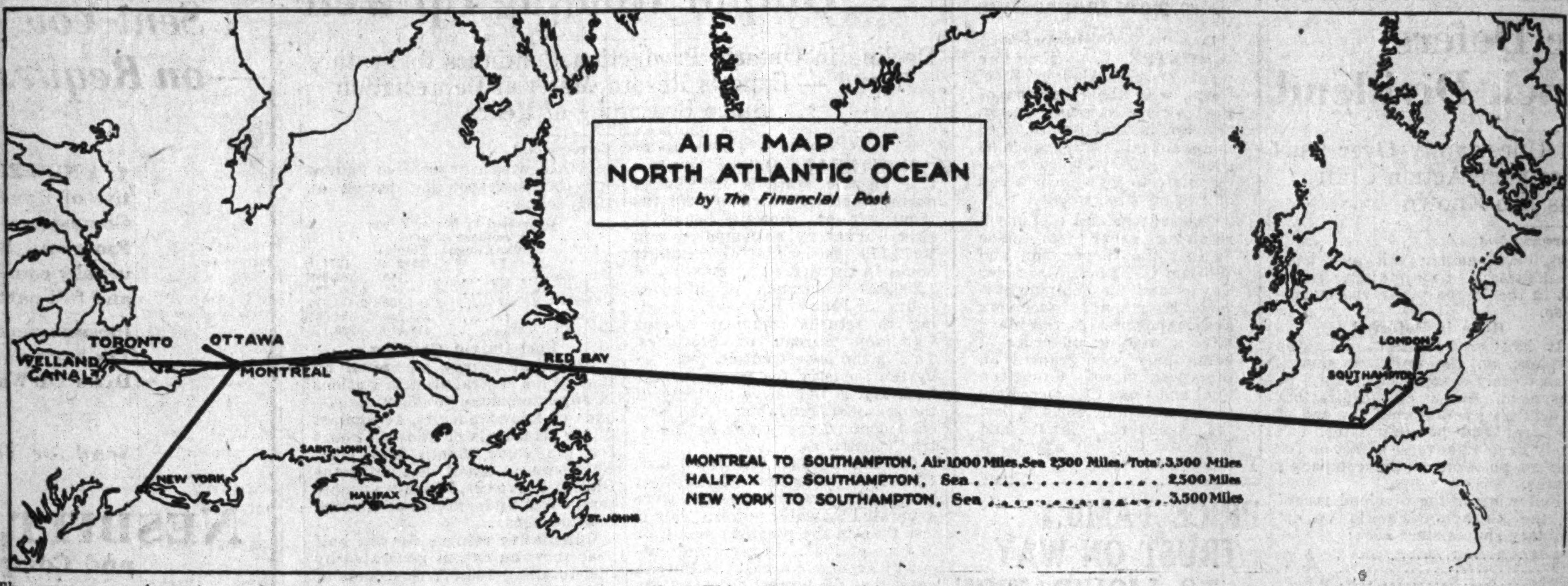
A decided strengthening has marked the movement of prices on base metals during the week. Advances have been made in ingot lead, tin, copper and zinc, and these products appear to be holding the advance. Buying has been stimulated among consumers who have bought only in small immediate quantities for a long time, and this helped to maintain prices. So far, no actual price changes have been made in manufactured products here as a result of the trend in primary prices, but solder has firmed considerably, and other lines may strengthen, if no immediate recession follows this basic advance, states Hardware and Metal, Toronto.

Wholesalers and manufacturers appear to be looking forward to fall trade with more optimism than was exhibited at the same time last year. The heavy western crop has helped to foster this brighter outlook, and hardware executives who have recently visited the west are very hopeful in their statements as to conditions there. Some early fall buying is already proceeding, and certain lines, including ammunition, guns, rifles, stove pipes, heaters, etc., are being delivered to the trade. Harvest hardware, sporting goods, vacation supplies, camping equipment and preserving needs are among the most active selling lines in retail stores at the present time. Clear-out sales of summer stock are being held by some merchants, as the fall period draws closer.

Doukhobors Jam Berries

The Doukhobor Jam Factory at Brilliant is working to capacity on strawberries, raspberries, cherries and currants, and negotiations are being carried on throughout Canada for the sale of their output.

Air Mail Flights Shows St. Lawrence Is Shortest, Safest Route to Europe


AIR MAP OF NORTH ATLANTIC OCEAN
by The Financial Post
TORONTO
OTTAWA
WELLAND CANAL
MONTREAL
RED BAY
NEW YORK
SAINT JOHN
HALIFAX
ST. JOHNS
LONDON
SOUTHAMPTON
MONTREAL TO SOUTHAMPTON, Air 1000 Miles, Sea 2500 Miles, Total 3,500 Miles
HALIFAX TO SOUTHAMPTON, Sea .... 2,500 Miles
NEW YORK TO SOUTHAMPTON, Sea .... 3,500 Miles

The new ocean-air route, used experimentally by the Canadian post-office in connection with the Imperial Economic Conference, has reduced delivery time for mail between Canadian and British points by 36 hours.

The reason for this striking saving in time is shown by this new map which corrects the distortion of the ordinary map and gives, with an error of less than one per cent at any point, a true picture of relative distances between different points bordering on the North Atlantic.

The map makes it clear that the distance from any Canadian port to Great Britain is vastly less than from any United States port. The shortest sailing distance from Southampton to Montreal is 3,062 miles. This compares with 3,500 miles from Southampton to New York.

But by using airplanes to carry mail to and from the Straits of Belle Isle, where the fast ocean liners can be caught en route, sailing time is speeded up to flying time for 1,000 miles of the 3,000 travelled on the Canadian route and enormous saving in time results.

Mail is redirected at St. Hubert field outside of Montreal, which hopes to become the air mail centre of the North Atlantic.

The map also shows the route traversed by the special mail sent from Welland Ship Canal Saturday to London. A fast plane took the mail by relays to Belle Isle, where it was dropped aboard the Empress of Britain, which had already sailed from Quebec some hours before. The letters are due in London Thursday morning.

The special airflights in connection with the conference have, in the opinion of Canadian Government officials, demonstrated that the St. Lawrence is the shortest and safest route to Europe and the map corroborates this fact.

Day-by-Day Record Of Parley Happenings

Official and Unofficial Accomplishments of Ottawa Meet Summarized for Ready Reference

By Staff Editor

OTTAWA.—The past week has seen two important milestones passed by the Imperial Economic Conference. The Canadian delegation have made a definite proposal to the United Kingdom delegation who have in turn rejected it as being in its present form inadequate. The proposal is now before the Canadian delegation for reconsideration.

The British are reported to hold the view that the new trade possible under the Canadian offer is insufficient to warrant a policy of taxing food by duties against foreign products with preferences or free entry accorded to Dominion products.

The following summary gives a running account of official and unofficial developments between Wednesday, August 3, and Tuesday, August 9, and is published as a source of ready reference on conference deliberations for readers of The Financial Post.

WEDNESDAY, AUGUST 3

Australian proposals laid before British and jointly discussed. Australia asks chiefly preferential tariffs on food supplies; offers larger market for industrial products.

Conference committee reports progress made in standardization of grading requirements throughout the Empire.

Progress limited on agreement to give Empire (including Canadian) base metals preferential tariff treatment in U. K. market.

THURSDAY, AUGUST 4

Canada amplifies its offer to United Kingdom. **Canada asks,** according to reliable reports:

1. A British duty of 5 cents on foreign wheat and a preference of 2½ cents on Empire wheat which would ensure a profitable market in the United Kingdom for 75,000,000 to 100,000,000 bushels of Canadian wheat annually.

2. Preferences on cheese, meats, butter, leather, tobacco, barley, fruits and fish, and removal of restrictions on Canadian cattle. Figures suggested are 2 cents on foreign cheese; 4 cents on butter; 3 cents on bacon; no tariff against Dominions.

3. Restrictions of unfair competition from Soviet Russia, to afford wider market in United Kingdom for Canadian lumber and other primary products.

4. Continuation of preferences on manufactured products.

5. Preferences on non-ferrous metals and their products like zinc spelter, lead, aluminum, copper bars, copper rods and brass.

In return for these concessions Canada offers important extensions to the "free" list and substantial preferences on a wide range of British manufactured goods, numbering some 200 chief items.

The principal group of commodities on which Canada offers free entry from Britain is iron and its products, and includes plates and sheets, machinery, wire, hardware and cutlery, bars and rails, structural steel, automobiles, engines and boilers, tubes and pipes, castings and forgings, tools, pigs, ingots, blooms.

Canada also proposes to divert from foreign to British channels a large proportion of her import requirements in cotton products and other textiles, chemicals, electrical apparatus, coal, glass and glassware.

Offer includes duty on foreign anthracite of 75 cents a ton.

Canadian and British lumbermen reach accord on suggestions to go before Conference. They suggest:

1. An embargo by the United Kingdom against sawn lumber imports from Soviet Russia.

2. An increase in duty against all foreign countries on sawn lumber from 10 to 25 per cent, with Empire lumber continuing on the free list.

This would give Canada one-third of the annual $140,000,000 potential sawn timber market in the United Kingdom. It would mean that the Dominion would ship in sawn lumber 1,300,000,000 feet board measure approximately, each year to the Mother Country.

Representatives of 50 producing interests urge Empire Marketing Board be continued.

Conversations continue between Canada and Irish Free State, and between other dominions on bi-lateral basis.

FRIDAY, AUGUST 5

British scan Canadian offer and at first glance express themselves as "surprised and delighted." Their spokesmen declare themselves hopeful of good results.

Great Britain now has offers of all dominions before her.

No conference meetings held today.

SATURDAY, AUGUST 6

Heads of delegations help to open Welland Canal and are therefore absent from Ottawa.

British secondary reaction to Canadian proposals less favorable and estimate submitted that they would give Britain only $10,000,000 of new business in Canada.

Canadians continue conversations for revisions in Australia and New Zealand trade treaties.

MONDAY, AUGUST 8

British formally reply to Canadian offer and reject it as inadequate. But they agree to take some action to curb "unfair" Soviet competition that dominions face in U. K. market. British reply said to make these points:

1. That Great Britain does not regard Canada's offer of preferences an adequate quid pro quo for what she asks in return.

2. That Great Britain would like further tariff concessions on British iron and steel and textiles.

3. That, as a general principle, Great Britain would prefer that tariffs on British goods should be reduced rather than the spread of preference should be widened by increasing the tariff on foreign goods.

4. That Great Britain invites Canada to further negotiations on the Canadian offer.

Free trade between Canada and Great Britain in automobiles is discussed.

British millers oppose preference on either wheat or flour from dominions.

A proposal to steady the exchange between Canada and Great Britain and also to economize in the transfer of money between the two countries is stated to be before the committee on monetary and financial questions of the Conference.

The proposal is that the Canadian banks pay for British purchases made in Canada at a fixed rate of exchange, and British banks pay for Canadian purchases made in the United Kingdom at a corresponding rate. At fixed periods there would be a general accounting say every six months when difference between the total purchases in the two countries would be paid and a fresh start made. The Governments would stand to protect the banks against loss in such an arrangement.

TUESDAY, AUGUST 9

Canada prepared its counter-reply to the British note of rejection of its proposal. Indications are that Canada's reply will, in the main, stand by the offer of preference for preference which Canada has already made to Great Britain. On iron and steel, some concessions may be made to the British viewpoint, but the Canadian view, generally speaking, is that the offer is fair.

Points at issue are declared to be:

(1) That Canada asks concession for concession.

(2) That Great Britain has not since the conference opened indicated to the Canadian delegation how far she is prepared to reciprocate.

(3) That Great Britain has not indicated what she is prepared to do to stop Russian dumping.

(4) That Great Britain has not indicated what steps she is prepared to take to prevent the sliding up and down of sterling.

Final agreement was forecast as likely.

Monetary Committee's sub-committee of experts concludes its report. They are stated to be unanimous in recommending that the world's currency problems be left to the coming world economic conference.

Sub-committee on Empire standardization meets. Discussion takes place regarding methods of achieving Empire standards and acquainting consumers with the fact. Personnel of a proposed liaison committee in London to assist in smoothing out difficulties in standardization under consideration, outline of the report of this sub-committee to the main committee read.

Sub-committee on standardization set up by the Imperial Conference cannot conclude its work during the life of the meeting here.

It is understood its report will be in the most general terms and that it will recommend that enquiries proceed after the conference concludes. The objective of the sub-committee was a programme to standardize natural and manufactured products entering into Empire trade and to standardize trading practices within the Empire. The job is too large for accomplishment in one month.

Record Butter Output

The quantity of creamery butter produced in Canada in 1931 is the largest ever recorded by the dairying industry of the Dominion. It amounted to 225,000,000 pounds, an increase of about 40,000,000 pounds over the previous year. There are 2,696 dairy factories in operation in the country.

LOBLAW LEADS LARGEST CHAINS IN STORE SALES

Profit Per Store is Much Greater—All Comparisons Favorable

Comparison of operating statistics of Loblaw Groceterias Ltd. with those of the ten largest grocery chains on the continent continues to show the Canadian company in the lead in almost every classification ccording to figures compiled by Moss, Lawson & Co., Toronto. In the year ended May 31, 1932, Loblaw sales totalled $15,120,933 or $145,393 for each of the 104 stores and this figure was more than double the per store sales of any other chain. Dominion Stores Ltd. with 572 stores had sales of $25,200,150 in the last fiscal year or $44,056 per store, Great Atlantic & Pacific Tea Co. averaged $67,726 per store.

In profit per store, Loblaw was far in the lead with $10,008 and Great Atlantic & Pacific was next with $1,953. Dominion Stores Ltd., the only other Canadian company included in the comparison had profit per store of $913. On the basis of profit per dollar of capital Daniel Reeves, Inc. leads 23 cents, First National Stores and Great Atlantic & Pacific Tea follow with 22 cents and Loblaw is fourth with 20 cents. Dominion Stores earned 12 cents per dollar of capital.

Ratio of increase in profit for the past five years is higher than the ratio of increase in sales, not only for Loblaw but for most chains. The reason for this is the decline in prices of food commodities which in most cases are less than half the prices prevailing in 1928. If records of merchandise volume handled were kept the increase in this figure would be approximately in line with increase in profit. In other words the unit volume of business handled has increased although the dollar volume may be down materially. Past experience of food companies would indicate that much of the business obtained during the past few years of low-priced merchandise will be kept when prices go higher.

Comparison of profit per dollar of sales made by the various chains in the past few years is as follows:

	1931	1930	1929
	$	$	$
Loblaw	6.88	6.37	5.80
First National ...	4.56	4.14	4.44
American Stores	3.89	4.24	4.60
Daniel Reeves ...	3.30	3.39	3.34
Great A. & P. Tea Co.	2.88	2.88	2.48
Grand Union ...	2.84	2.90	2.76
Safeway Stores ..	2.19	1.71	2.80
Dominion Stores .	2.07	2.20	2.39
H. C. Bohack & Co.	1.71	2.40	3.11
Kroger Grocery .	1.11	.81	2.06
National Tea	.93	1.44	3.00

DONNACONA CO. JUNIOR SECURITY HOLDERS OBJECT

Debenture Holders Propose Alternative to Official Plan

From Our Own Correspondent

MONTREAL. — Holders of the debentures of Donnacona Paper Co. will meet on Monday next to pass upon the reorganization plan submitted toward the end of last month, but upon which no action was taken due to a lack of quorum.

The offer provided that for each $100 par value of debentures, the holder would be given 2 shares of class B non-voting, no par value common stock. This proposal has not met with the approval of a group of Quebec debenture holders, who have put forward an alternative plan. They propose that holders of each $1,000 face value of debentures should be given $500 par value income debenture and 10 shares of B stock. In addition they want the debenture holders to have one representative on the board of directors. The official plan provides that the first mortgage bondholders elect or approve of members of the board.

At the meeting of the first mortgage bondholders, the official plan was approved. Directors elected to the new board included Sir George Garneau, Hon. W. Gerard Power, Hon. George Parent, K.C., Robert P. Kernan, A. C. M. Thomson, all of Quebec, and A. P. S. Glassco, of Montreal. An additional member will be elected by the board.

Bondholders, furthermore, approved of an arrangement with the Shawinigan Water and Paper Co., whereby the present contract calling for delivery of 17,000 h.p., of which 3,500 h.p. is being used, is superseded by an agreement under which the company is to pay only for the power consumed, but in return for this concession five distributing plants, owned by Donnacona, with a book value of $106,000, are turned over to Shawinigan.

Sugar Shipments Increase

Refined sugar shipments from Canadian refineries for the four weeks ended July 16 totalled 107,376,824 lb. as compared with 87,385,846 lb. in the same period of 1931 and 60,363,945 lb. in the previous four weeks' period.

Refined sugar manufactured in the four weeks ended July 16 totalled 92,583,064 lb. compared with 85,295,029 in the same period of 1931. For the period from Jan. 1 to July 16, sugar manufactured amounted to 366,383,597 lb. compared with 396,847,003 lb. manufactured in the same period of 1931.

Montreal Power Noranda
National Breweries Imperial Oil

Position and prospects of these companies are discussed in our latest circular. Copy supplied on application.

McCUAIG BROS. & CO.

ESTABLISHED 1898
Members Montreal Stock Exchange
Members Montreal Curb Market

[illegible] St. James Street
MONTREAL

1420 Peel Street
MONTREAL

A Few Copies Left

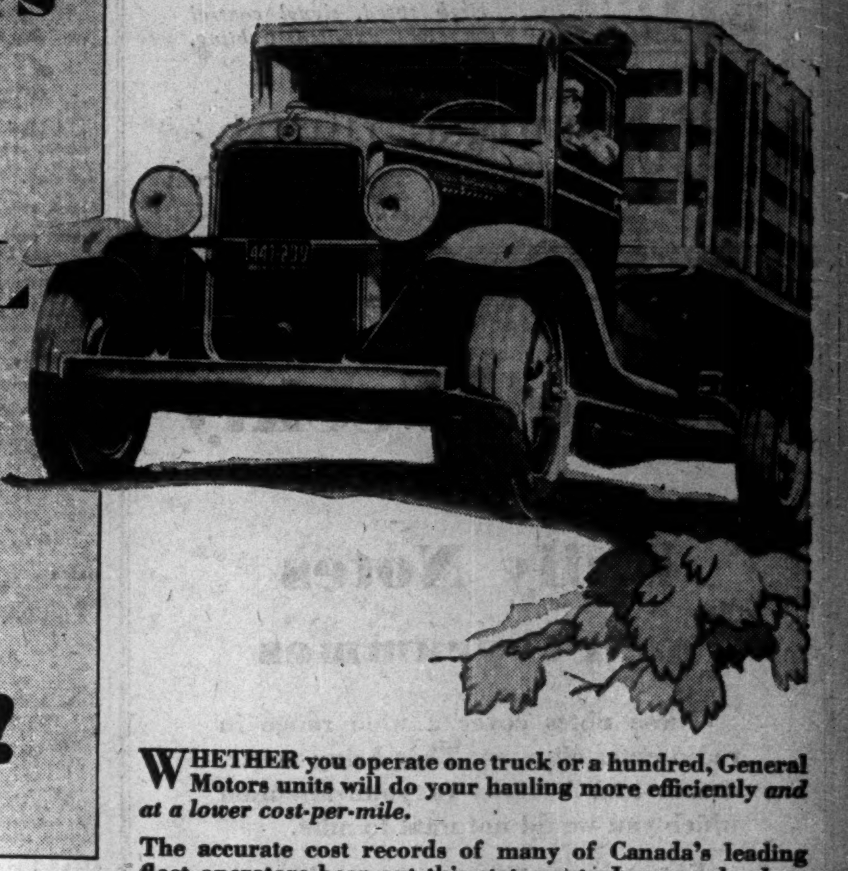
Canadian
Stock Market
Leaders of
Tomorrow

Canadian Stock Market Leaders of To-morrow

Without prejudice and without any claim to prophetic vision, The Financial Post a few months ago published a series of articles on good Canadian stocks that seemed to meet the most obvious tests that needed to be applied to good securities. These articles were reprinted in booklet form. A few copies of this booklet (48 pages and cover) are available at 25c

THE FINANCIAL POST,
153 University Ave., Toronto
Enclosed is $............ in payment.
Please enter my name to receive:
☐ Canadian Stock Market Leaders of Tomorrow—25c a copy.
Name ....
Address 85

LAKE OF THE WOODS MILLING CO., Ltd.
Makers of FIVE ROSES FLOUR
Mills at
Montreal, Brantford, Keewatin, Portage la Prairie, Medicine Hat
DAILY CAPACITY 20,000 BARRELS
President and Managing Director: FRANK S. MEIGHEN, C.M.G.
Vice-President HUGH MACKAY, K.C.
Asst. General Manager C. H. G. SHORT
Directors
G. C. MORRISON
HUGH MACKAY, K.C.
R. W. REFORD
G. W. ALLAN, K.C.
N. J. BREEN
WALTER MOLSON
RT. HON. LORD SHAUGHNESSY, K.C.
HON. RODOLPHE LEMIEUX
JOHN W. HOBBS
ISAAC PITBLADO, K.C.
PAUL F. SISE
J. W. PYKE
Secretary D. A. MacINNES
Treasurer A. C. McMILLAN
Asst. Treas. R. R. HUTCHISON



Fleet Owners praise GENERAL MOTORS TRUCK Economy!

WHETHER you operate one truck or a hundred, General Motors units will do your hauling more efficiently *and at a lower cost-per-mile.*

The accurate cost records of many of Canada's leading fleet operators bear out this statement. In every haulage field, General Motors Trucks are speeding up service . . . hauling more payloads . . . cutting operation and maintenance costs.

Consider gasoline and oil. General Motors Truck engines are specially designed and built for truck service—to give maximum power, speed and acceleration with a minimum consumption of fuel and lubricant. The same truck-type construction is carried on throughout the chassis. Its stronger frame, axles, transmission and clutch keep your General Motors Truck on the road and out of the repair shop—reducing upkeep costs.

General Motors Truck economy never meant more to truck buyers than it does today. See your General Motors dealer and get the facts.

PRODUCED IN CANADA

GENERAL MOTORS TRUCK GMC
GM GENERAL MOTORS PRODUCTS

GENERAL MOTORS TRUCKS

Utilities and Transportation

NORTHWESTERN POWER POSITION COMMENTED ON

Bondholders May Be Asked to Make Concessions By Committee

From Our Own Correspondent

MONTREAL.—The present position of the bondholders of Northwestern Power Co. is outlined in the public statement issued by Edward Anderson, president of the company, and also of Winnipeg Electric Co., which guarantees principal and interest on the bonds of Northwestern Power. Mr. Anderson deplores any hasty action and says that it is in the best interests of all concerned that the companies be maintained as going concerns. He intimates that Northwestern bondholders may be asked to postpone interest for a reasonable time and make other slight modifications, in order to give the company an opportunity to get on a solid earning basis.

Anderson Issues Statement

Following is the statement issued by Mr. Anderson, in part:

"It is suggested that the properties of Northwestern Power Company should be sold by public auction to the highest bidder and that Winnipeg Electric Company should be sued as guarantor. If this is the course most likely to provide payment in full for the bondholders undoubtedly the trustee (the Royal Trust Company) will insist on this being done, but the question naturally arises: Is this the best course to be pursued in the interests of the bondholders? Who, for instance, would be likely under present conditions to buy at a forced sale a power plant (Seven Sisters Falls) at anything like a fair price? And what benefit would be derived from suing the Winnipeg Electric Company? If this latter course were taken the bondholders of Winnipeg Electric Company, who have a first mortgage on all its assets, would step in and take possession.

"The fact of the matter is the suggested action would be the very worst possible which could be taken for the protection of the Northwestern Power Company bondholders. They may rest assured that they will get a fair deal and that everything possible will be done to see that they get one hundred cents on the dollar, and I respectfully suggest that this can only be done by looking at the situation sanely and reasonably in the light of the unfortunate business and economic conditions now prevailing.

Keep Companies Going

"It is unquestionably in the best interests of Northwestern Power Company bondholders that the Winnipeg Electric Company should be maintained as a going concern, for when conditions improve it will be a large purchaser of power from Northwestern Power Company, and the improvement in its financial conditions which will come about with better times, will be an important factor in the security of the bondholders.

"The bondholders need have no fear that they will be compelled to relinquish any of their securities or any rights of any kind. They may, however, be requested to postpone for a reasonable time the payment of their interest and perhaps make some other slight modifications in their security so that time may be given the company to get on a solid earning basis. The extent of these requests is, of course, to be decided upon by the committee."

Canadian Pacific Defers Ordinary Stock Dividend

Sharp Drop in Earnings and Uncertainty Over Outlook Cause Directors to Postpone Action Until Full Year's Returns Are Known

From Our Own Correspondent

MONTREAL.—After several decades of uninterrupted payment of dividends on its ordinary shares, the Canadian Pacific Railway has decided to defer further distribution until the full year's earnings are known.

In an official statement issued this week, it was stated that the regular half yearly dividend of 2 per cent would be paid on the preference stock, but that in view of the continued sharp decline both in rail gross earnings and in income from subsidiary undertakings and investments, and the uncertainty as to the time when the 1932 grain crop will be marketed, decision on the dividend on the ordinary shares was deferred. In the meantime, the announcement continues, the policy of retrenchment initiated in 1929 is being continued and extended as far as it can be extended consistently with the maintenance of the properties in a high state of efficiency.

Stock Widely Distributed

Action of the directors will have far-reaching effects. At the end of last year the company had outstanding $335,000,000 of ordinary shares in the hands of 77,046 shareholders. Of this number 35,378 lived in Canada, 21,773 in the United Kingdom and other British possessions, 15,254 in the United States and 4,641 in other countries.

Ordinary shares of the Canadian Pacific have always been held in high regard in international markets. The wide distribution of the stock is evidence of this. Many investment trusts, institutions, corporations, etc., are substantial holders of the ordinary shares.

The rapid change in conditions over the past two years has seriously affected the company's earning power and its ability to pay dividends on the ordinary shares. Prospects of a large crop in the West and favorable developments from the Royal Commission's report on Canadian railways, have been factors in maintaining interest in the ordinary shares marketwise.

Hope is Deferred

It had been thought that the dividend on the ordinary shares, even if only a small one, would be continued. Action of the directors in deferring action until the end of the year and possibly later, will likely have an adverse effect on the market position of the company's shares.

Following is the dividend record of the Canadian Pacific on its ordinary shares since 1885:

1885-88	3 %
1889	4 %
1890-93	5 %
1894	2½%
1895	1½%
1896	2 %
1897-98	4 %
1889-1902	5 %
1903-05	6 %
1906	6½%
1907-09	7 %
1910	8 %
1911-1931 (April 1)	10 %
1931 (June 30) - 1932 (April 1)	5 %

Canada Northern Power Income Continues to Gain

From Our Own Correspondent

MONTREAL.—An increase in both gross and net earnings is reported for June by Canadian Northern Power Corp. Gross income during the month totalled $276,985, as against $272,700 for the same month last year. There was little change in operating expenses, while net revenue amounted to $187,087, an increase of $4,105 over June last year.

Cumulative returns for the half year show gross revenue of $1,702,930, as against $1,647,407 for the first six months of 1931. There was a minor increase in expenses, while net earnings for the January-June period this year aggregated $1,174,700. This compares with $1,119,582 for the first half of 1931.

Halifax Harbor Tonnage Records Gain This Year

From Our Own Correspondent

MONTREAL.—Cargo handled over the piers of the Halifax Harbor Commission for the week ended July 29 amounted to 8,020 tons, compared with 15,023 tons for the corresponding week of 1931, a decrease of 7,003 tons.

From the beginning of the year to July 29 imports amounted to 189,849 tons, against 205,055 tons in 1931, while exports of 231,493 tons compared with 197,499 tons in 1931.

Total cargo over the commissioners' piers from the beginning of the year was 421,342 tons, compared with 402,554 tons in 1931, an increase of 18,788 tons, or just under 5 per cent.

Name Two Receivers For Lake Superior Corp.

From Our Own Correspondent

MONTREAL.—J. Albert Homan, of Trenton, N.J., and E. Clarence Miller, of Philadelphia, Pa., have been appointed receivers of the Lake Superior Corp.

Public Utility Earnings

Canada Northern Power

	1932	1931	Incr.
June	$	$	$
Gross earn.	276,985	272,700	4,285
Expenses	89,898	89,718	180
Net earn.	187,087	182,982	4,105
Six Months:			
Gross earn.	1,702,930	1,647,407	55,523
Expenses	528,230	527,825	405
Net earn.	1,174,700	1,119,582	55,118

Mexico Tramways & Subsidiaries

	1932	1931	Decr.
June	Pesos	Pesos	Pesos
Gross earn.	627,300	772,340	145,040
Oper. and deprec. exp.	820,210	849,820	29,610
Net earn.	*192,910	*77,480	115,430
Aggrt. gross from Jan. 1	4,342,920	4,616,550	273,630
Aggre. net from Jan. 1	*1,018,890	*515,220	503,670

Mexican Light & Subsidiaries

June			
Gross earn.	2,149,780	1,866,010	†283,770
Oper. and deprec. exp.	1,459,520	1,152,010	†307,510
Net earn.	690,260	714,000	23,740
Aggre. gross fr. Jan. 1	12,810,420	12,086,255	†724,165
Aggre. net fr. Jan. 1	4,763,580	5,484,750	721,170

* Deficit. † Increase.

Operating results are subject to final adjustment.

Heavy increases in taxation have been imposed under recent legislation in Mexico, seriously affecting the earnings of the companies.

Winnipeg Electric

	1931	1932	Decr.
May	$	$	$
Gross earn.	464,072	458,066	6,006
Expenses	315,160	292,018	23,142
Net earn.	148,912	166,048	*17,136
Aggre. gross from Jan. 1 to end of May	2,519,133	2,482,450	36,683
Aggre. net from Jan. 1 to end of May	853,965	946,528	*92,562

* Increase.

Jamaica Public Service

	1932	1931
June	$	$
Gross earnings	61,464	63,383
Net earnings	21,369	24,191
Surplus after chgs.	12,041	14,787
12 Months Ended June 30:		
	1932	1931
	$	$
Gross earnings	798,639	843,001
Net earnings	314,157	348,677
Surplus after chgs.	205,729	234,228

Figures converted from £ sterling at $4.86 2/3 to £1.

B. C. Power

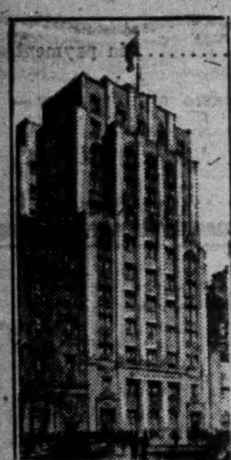
	1932	1931	Decr.
May	$	$	$
Gross earn.	1,069,776	1,159,759	89,983
Oper. exps.	759,254	785,945	26,691
Net earn.	310,522	373,814	63,292
Int. & pf. div.	208,264	227,716	19,452
Balance	102,258	146,098	43,840
Aggregates:			
Gross July 1 to May 31	12,660,173	13,449,139	788,966
Net July 1 to May 31	4,222,726	4,698,454	475,728
Int. and pref. div.	2,290,904	2,353,376	62,472
Balance	1,931,822	2,345,078	413,256

Can. Western Natural Gas

	1931	1932	Incr.
	$	$	$
January	262,102	296,751	34,649
February	226,842	338,591	111,749
March	232,102	287,945	55,843
April	214,889	205,967	*8,922
May	124,260	126,078	1,818
Aggre. from Jan. 1, to May 31	1,060,195	1,255,332	115,137

* Decrease.

Your Office in Montreal



In the heart of St. James Street, modern office space and service is available for first class

BROKERAGE,
INVESTMENT,
INSURANCE,
ACCOUNTING
and
LEGAL FIRMS.

Space — one entire floor of 4,000 sq. ft.; 1,000 sq. ft.; fitted with quotation board. Smaller spaces from 200 to 750 sq. ft.

High speed, signal control elevators. Excellent lighting.

Apply to—
STAR BUILDING, LIMITED
231-235 St. James St. - - Montreal
Telephone Marquette 9326

Radio Weekly
Offers
Daily Notes
on Programmes

These notes cover a wide range in radio entertainment. They bring music, drama and lectures to your attention which you would not want to miss.

Entertainment features are the keynote of the news carried in Radio Weekly. This is a paper for the listeners, not for technicians. Read it to improve your enjoyment of radio.

Four Comic Pages.

Eight Days' Programmes.

On all News Stands
5c Radio Weekly 5c

Algoma Steel Plant Is Now Inoperative

From Our Own Correspondent

MONTREAL. — Entire plant of the Algoma Steel Corp., with the exception of the coke ovens, is now closed, through lack of orders. The merchant mills will reopen as soon as sufficient orders accumulate to give them a run of two or three weeks.

Toward the end of June a receiving order was made against the corporation and William C. Franz, Alexander Taylor and Sir William Stavert were appointed receivers and managers. A few days later a winding up order in bankruptcy was granted on the petition of Cannelton Coal and Coke Co., a creditor to the extent of $62,476, and the Chartered Trust and Executor Co. was appointed liquidator.

PRICE FAMILY TRUST ON WAY TO LIQUIDATION

Quebec Investment Co. Owes Price Bros. Large Sum

From Our Own Correspondent

MONTREAL.—Further complication in the re-organization plans for Price Bros. and Co. is seen in the announcement that the Quebec Investment Co., controlled by members of the Price family, will be placed in liquidation. Judge Archambault, of Quebec City, has granted a petition submitted by the Receiver in Bankruptcy and approved by J. P. A. Gravel, counsel for the company.

It will be recalled that it was to the Quebec Investment Co. that Price Bros. and Co. made unsecured and partially unauthorized advances of $1,273,500 to bolster quotations for Price Bros.' securities on a falling market. It is unlikely that this amount has been recovered, so that Price Bros. and Co. will rank as one of the principal creditors of the Quebec Investment Co.

Took Heavy Loss

At one time the Quebec Investment Co. had a capitalization of $15,000,000. The rapid decline in security values made it necessary for the company to bring its capital down in line with the value of its holdings and to that end capital was reduced to $3,000,000.

Price Bros. and Co. recently announced that it would be unable to meet the August 1 interest on its first mortgage bonds, of which slightly over $11,000,000 are outstanding. This constitutes a technical default, but the company has 90 days of grace in which to make good the payment of interest. Expectations are that this will be done after sufficient time has elapsed to allow a more complete examination of the complicated financial position in which Price Bros. and Co. has become involved.

Start Preliminary Work Australian Paper Plant

From Our Own Correspondent

MONTREAL.—Possible decline in export of Canadian newsprint to Australia is seen in the announcement that a group comprising the Melbourne Herald and Weekly Times Pty., Ltd., and associated newspapers plan to start the preliminary work during the winter of 1932 on a newsprint mill to be established in the Florentine Valley, in the south of Tasmania.

It is proposed to erect the plant in the vicinity of New Norfolk, where facilities exist for supplying the industry with hydro-electric power, and where ample supplies of fresh water are available for use in the manufacturing process. The valley contains a large crop of virgin timber, the stand being estimated at 868,138,000 superficial feet.

One of the two other companies interested in Tasmanian pulp and paper possibilities—that which is experimenting with the project in the Huon district—has been stirred to activity by the announcement concerning the Florentine Valley scheme, and has applied to the State Government for an extension of the period during which it may hold concessions over certain land.

Quebec Group Behind Port Royal Pulp & Paper

From Our Own Correspondent

MONTREAL.—Quebec interests are behind the Port Royal Pulp and Paper Co. which recently acquired control of the Nashwaak Pulp and Paper Co. plant at Fairville, adjacent to Saint John, N.B. John Champoux, of Quebec City, is president. The vice-president is H. F. Smith, of Montreal, formerly of the Union Bag and Paper Co. Edward Murray, of New York, also formerly of the Union Bag is a director, as also is Edouard Lacroix, M.P., of Beauce County, P.Q. The secretary-treasurer is T. A. Gilbert, of St. George de Beauce, and among others interested is J. L. Demers, of Levis, P.Q.

Antoine Lacroix, of Van Buren, Me., who has been with the Madawaska Corp. at that place, will be manager of the Nashwaak plant.

Fraser Cos. Propose to Buy More Pulpwood

From Our Own Correspondent

MONTREAL.—Arrangements have been completed whereby Fraser Cos. will materially increase their purchases of pulpwood this year for use in the Edmundston and Athol mills. The management has informed the provincial government that it is now in a position to take an appreciable quantity of pulpwood from the Tobique area for use in the Edmundston mill. Purchases will be made from the Miramichi and north shore area for use in the Athol mill.

The company will take delivery of pulpwood as soon as it is available, provided that satisfactory contracts are made with the pulpwood dealers.

Southern Canada Power Earnings Show Decline

From Our Own Correspondent

MONTREAL.—Decline in gross and net operating income is reported by Southern Canada Power Co. for June, 1932. Gross earnings amounted to $174,008 and net earnings $110,898. For the same month last year gross revenue totalled $188,207 and net $113,647.

Returns for the nine months ended June, 1932, indicate gross revenue of $1,693,929, as against $1,775,287 for the corresponding period last year. There was a drop in expenses, while net earnings this year amounted to $1,076,887, compared to $1,081,015 for

Central Electric Station Output Holding Up Well

Decline in Ontario Production Continues to Feature Trend — Exports Record Material Depreciation Since Beginning of Year

From Our Own Correspondent

MONTREAL.—Output of central electric stations in Canada during June amounted to 1,200,198 thousands of kilowatt hours of electrical energy, as compared with 1,273,170 thousands of kilowatt hours in the preceding month and 1,289,828 thousands of kilowatt hours for June of last year, according to returns compiled by the Dominion Bureau of Statistics. This is the lowest output recorded by the industry for many months back and is indicative not only of the seasonal trend, but of the lessened demand for power by industrial consumers.

Of the output for June last, 1,176,873 thousands of kilowatt hours of electrical energy were generated by water power. This is less than in the previous month or in June of 1931. In reporting output by economic areas, the Bureau notes that the largest decrease was recorded by Ontario. This is in line with the trend noted for several months past. The largest percentage decrease in June was reported by the Prairie Provinces, the decline there amounting to nearly 20 per cent.

Details of Line Output

Particulars of the central electric station output in June, generated by water power, appear hereunder:

Generated by Water Power
(000's Kilowatt Hours)

June	1932	1931
Maritimes	47,894	52,675
Quebec	633,814	638,719
Ontario	325,476	379,243
Prairies	83,542	101,337
British Columbia	86,147	95,570

Ontario Output Feature

During the first half of 1932 central stations reported an output generated by water power totalling 7,784,241 thousands of kilowatt hours. This compares with 8,157,962 thousands of kilowatt hours during the corresponding period of last year. Examination of the individual returns shows an increase in output this year for the Maritimes and the Prairie Provinces. Declines were reported by British Columbia, Quebec and Ontario. The loss reported by Ontario primarily accounts for the decline in aggregate production this year.

Returns of output by the five areas for the first half of this year, together with comparative figures for the corresponding period of 1931, follow:

Generated by Water Power
January - June
(000's Kilowatt Hours)

	1932	1931
Maritimes	292,110	268,091
Quebec	4,114,172	4,164,125
Ontario	2,164,209	2,532,531
Prairies	635,240	594,087
British Columbia	578,510	599,128

Fuel Output Growing

Electrical energy generated by fuel by the central electric stations in June amounted to 23,325 thousands of kilowatt hours, as against 21,959 thousands of kilowatt hours for the same month last year. There was a small decline in the Prairie Provinces, which was more than offset by increased production in other areas.

Cumulative returns for the half year show an output generated by fuel totalling 166,777 thousands of kilowatt hours, an increase of approximately more than 13,000 thousands of kilowatt hours over that shown in the report for the first six months of 1931. There was an increase in production in both the Prairies and other areas, as is shown in the following tabulation:

Generated by Fuel
(000's Kilowatt Hours)

June	1932	1931
Prairies	11,966	12,139
Other	11,329	9,820
Total	23,325	21,959
Half Year		
Prairies	93,539	91,757
Other	73,238	61,926
Total	166,777	153,683

Exports Decline Sharply

Declining trend in exports of electrical energy from Canada continued in June, the total for that month, as reported by the Bureau, being 64,864 thousand of kilowatt hours, as against 88,602 thousands of kilowatt hours for the same month last year. For the first half of 1932, cumulative returns show exports of 340,803 thousand of kilowatt hours, or a decline of more than 50 per cent from that registered in the same period of 1931.

Particulars of exports follow:

(000's Kilowatt Hours)

	1932	1931
June	64,864	88,602

Six Months

1932 .... 340,803....1931 709,147

FLOUR MILLING OUTPUT EASIER FOR MAY LAST

Returns From Millers to Date Reflect Lower Demand

From Our Own Correspondent

MONTREAL. — The statistical position of the flour milling industry in Canada did not undergo any improvement in May last, according to returns published by the Dominion Bureau of Statistics. In that month flour mills operated at 38.6 per cent of capacity, as against 41.1 per cent of capacity during the same month last year.

Production of wheat flour in Canada in May, 1932, amounted to 1,040,693 barrels. This compares with 1,183,280 barrels for June, 1931. Cumulative returns for the first five months of 1932 indicate an aggregate production of 4,781,163 barrels, compared with 5,531,654 barrels for the similar period in 1931.

Less Oatmeal Produced

One of the notable features of milling operations this year has been the marked decline in the production of oatmeal, output of which in May amounted to 888,497 pounds, or about half of that reported in the preceding month and just over one quarter of that produced in May, 1931. Since the beginning of the year, production of oatmeal has totalled 7,681,995 pounds. This compares with 11,269,379 pounds in the first five months of 1931.

The manufacture of rolled oats in Canada this year to date is somewhat under that reported in 1931, but the decline is not nearly so great as in the case of oatmeal. Production in May amounted to 6,315,048 pounds as against 7,659,185 pounds in the same month last year.

There is relatively little change in the production of corn flour and corn meal, output in May totalling 1,908,770 pounds. This compares with 2,130,887 pounds for May, 1931.

Exports Are Lower

Exports of wheat flour from Canada this year to date are somewhat behind those reported last year. From January to May, 1932, shipments totalled 1,821,352 barrels. For the corresponding period of 1931, exports totalled 2,174,964 barrels. Shipments in May, 1932 and 1931, were 461,867 and 481,265 barrels, respectively.

Soviet Lumber Exports Heavy to Great Britain

Great Britain imports much softwood from Russia. During the first six months of 1932 the total was 230,372,400 feet. The quantity imported from Canada in the same period was 54,876,600 feet and from the United States 51,771,000 feet.

Very little hardwood appears to reach Great Britain from Russia for none is listed separately from the hardwood imports from other countries. The quantity from Canada in the six months was 23,103,612 feet and from the United States 94,755,180 feet.

These figures are exclusive of planed lumber, pitprops, staves, ties, veneers and panel wood.

Fredericton is Pleased With Potato Prospects

Great satisfaction is being expressed at Fredericton, about the 1932 seed potato crop. Very little disease has been found on the plants so far, and despite the protracted period of wet weather growth has been satisfactory, although the tubers are small as yet, due to a later start in planting this year.

The acreage of seed potatoes this year is about 5,200, practically the same as last season, and it is anticipated that the yield will reach the 1931 figure of a million and a half bushels. The reduction in the whole potato acreage this year will be in table stock varieties.

WABASSO COTTON INTEREST CHARGE UNEARNED IN 1932

Over $100,000 of Funded Debt Retired in Past Fiscal Year

From Our Own Correspondent

MONTREAL.—Failure to earn interest charges and reduction of the funded debt by $119,500 are features of the consolidated financial statement of the Wabasso Cotton Co. for the year ended July 2, 1932.

Operating conditions last year were not altogether satisfactory and the deficit shown in the income account was brought about largely by foreign competition and the downward trend of selling prices. Gross income of the company and its subsidiaries from all sources last year amounted to $238,463, as against $520,732 in the preceding year. After providing for depreciation, bond interest and other prior charges, there was a deficit of $283,705. This compares with a profit of $3,648 in the year ended June 27, 1931.

Particulars of the profit and loss account for the past three years follow:

	July 2 1932	June 27 1931	June 30 1930
	$	$	$
Oper. profit	174,617	448,213	415,818
Int. on invest.	63,846	73,519	68,741
Gross earn.	238,463	520,732	484,559
Deprec.	231,500	222,761	249,446
Bond int.	250,594	256,149	263,584
Sink. fund	27,355	25,465	25,890
Bond disc.	12,719	12,719	......
Net earn.	*283,705	3,648	*52,361
Prev. surp.	386,862	383,214	435,575
P. & L. bal.	103,157	386,862	383,214

* Deficit.

WORKING CAPITAL

	July 2 1932	June 27 1931	June 30 1930
	$	$	$
Curr. assets	1,702,922	2,431,583	2,700,822
Curr. liabs.	884,262	1,485,197	1,737,456
	818,660	946,386	963,366

Examination of the balance sheet as at July 2, in comparison with that of June 27, 1931, shows a substantial reduction in inventories from $2,043,148 to $1,301,800.

During the year there was a further expenditure on account of capital account, fixed assets now being carried on the books at $9,607,331, compared with $9,419,546. This additional expenditure is understood to be for machinery in connection with a new product which the company is putting on the market. This is known as the Sanforizing Process, involving the pre-shrinking of material.

There was no material change in the company's investments during the year, while deferred charges are slightly lower.

On the liability side of the balance sheet, the funded debt has been lowered by $119,500. This was accomplished through the use of cash which had been deposited with the trustees for the bondholders.

Rubber Company Executive Sees Maritimes Improve

Opening by American interests of the Nashwaak pulp mills at Saint John; the awarding to the Halifax Shipbuilding Company of a contract for the repairing of the Prince David; the placing of a splendid new steamer on the run between Yarmouth and Boston; and a heavy influx of tourists, particularly from the United States, are all factors that are making for a general air of sane optimism throughout the maritime provinces, according to C. N. Larsen, general sales manager of Gutta Percha and Rubber, Ltd., who has just returned to Toronto after an extensive business tour of New Brunswick, Nova Scotia and Prince Edward Island.

Large Co-operative Business

Figures from the federal agricultural economics branch reveal that during the past year 42 Ontario farmers' co-operatives embracing nearly 28,000 members did an average yearly business per member of $567.

Sent You on Request

★ A NEW BOOKLET descriptive of DOMINION GOVERNMENT, GOVERNMENT GUARANTEED and PROVINCIAL BONDS giving unusually complete information and full particulars of . . .

DENOMINATIONS INTEREST RATES
TAX STATUS MATURITIES
DATES AND WHERE PAYABLE, ETC.

Send for Your Copy Now!

NESBITT, THOMSON
and Company Limited
355 St. James Street West, Montreal
Quebec Ottawa Toronto Hamilton London, Ont. Winnipeg
Saskatoon Calgary Victoria Vancouver

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning and operating mills at
Murray Bay, Que. Sault Ste. Marie, Ont.
Beaupre, Que. Iroquois Falls, Ont.
Sturgeon Falls, Ont. Smooth Rock Falls, Ont.
Espanola, Ont. Fort William, Ont.
Pine Falls, Manitoba
Daily Capacity 2200 Tons Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp

GEORGE A. FULLER COMPANY of CANADA LIMITED
BUILDING CONSTRUCTION
DIRECTORS
R. G. Babbage D. I. McLeod
W. A. Black H. T. Hunter
L. R. Crandall N. L. C. Mather
Geo. T. Pepall Wilmot L. Matthews
J. J. Gibson J. F. McPherson
Hon. J. M. Wilson
TORONTO
MONTREAL
SERVICE EXPERIENCE ORGANIZATION

IAC
CONSUMER CREDIT . . *to meet the demands of modern business*

Sound credit, made available to the consumer through instalment selling, is a definite aid to increasing sales.

This specialized form of banking, supplementing the services of our chartered banks, is sponsored by the leading manufacturers in the country. They acknowledge the system as a safe means of permitting the immediate purchase of an article, while the purchaser enjoys its use during term of payment.

Industrial Acceptance Corporation Limited, a strong, all-Canadian company, extends a plan of deferred payments suited for the financing of over 50 different types of equipment.

INDUSRIAL ACCEPTANCE CORPORATION LIMITED
Offices in
Halifax, St. John, Quebec, Montreal, Ottawa, Toronto, Hamilton, London, Windsor, Winnipeg, Regina, Calgary, Edmonton, Vancouver.
"A National Service: A Canadian Company"

News of Investment Markets

DEALERS FEEL BONDS WILL HOLD NEW HIGH LEVEL

Rise in Prices in Past Month Exceeds Past Experience

INDUSTRIALS LAG

O. P. S. Deal Announced But Bonds Are Traded Within Narrow Range

The rise in Canadian high grade bond prices that has taken place since early in July has been so extensive that it has no parallel within the past five years at least. Dominion of Canada issues selling to yield 5.30 per cent and better early in July are now offered around a 4.8 per cent yield basis and many of the public utility and industrial bonds have shown even a more striking increase. Bond dealers feel that the position of the market is such that the high grades will generally remain at the present level although some reaction is possible.

Investment houses as a whole have a very small inventory of bonds on hand and it is almost impossible to obtain large blocks of any of the higher grade issues. Buying from London during the past month has aided in reducing the floating supply of high grades. The whole situation is more favorable to Federal and municipal financing than has been the case for some time and if current market conditions continue into September and October there appears to be good possibilities that many Canadian municipalities may be able to sell their debentures and liquidate bank loans.

Federal financing which is expected to approximate $200,000,000 loses some of its bad potentialities with the improved prospect for placing at least part of the offering in London. Chances also appear brighter for refunding the $40,000,000 issue of 4 per cent treasury notes that comes due on December 1. In some quarters it is felt that the continued premium on New York funds may in part be due to buying of these funds by the Dominion Government in order to retire the treasury notes at maturity. If this issue could be refunded in New York the need for these funds would no longer exist and the premium on New York funds would tend to be reduced.

Offer Saskatchewan's

Offering on August 9 of an additional issue of $2,000,000 Saskatchewan 6's due March 15, 1952, to yield 6.15 per cent had a slight tendency to weaken prices of other western provincial issues. Institutional demand for the issue is reported to be negligible but with 17 banks and investment houses in the syndicate the issue can be placed with private investors interested in a higher than normal yield. As a whole, bonds of the western provinces have not moved up to the same extent as have prices of other high grade issue but if this lag is corrected the new issue of Saskatchewans can be expected to be well taken up.

Interest in industrial and public utility issues is not particularly keen although there has been some increase in demand from speculators. Offerings are so small that any volume of buying tends to move prices up sharply. Interest is chiefly centred in bonds of those companies which are in default such as Abitibi and Ontario Power Service. Publication of the offer of the Hydro-Electric Power Commission of Ontario to Ontario Power Service bondholders has in great part served to satisfy investors who have been in the dark for several months. The market for the bonds, however, remains thin since the proposed deal has not yet gone through and the bonds have been traded in the past week in a range of 64 to 67 which is up to 10 points lower than current prices on Ontario hydro bonds would indicate that the bonds were worth.

Some investment houses are recommending clients to accept the Hydro offer which is good until October 1 by which time 90 per cent of Ontario Power Service bondholders are required to deposit their bonds to assure the deal going through. The time of deposit may be extended, however, or the Ontario Hydro may proceed with the acquisition even though less than 90 per cent of the bonds are deposited. A number of dealers are of the opinion that since O. P. S. bondholders bought a power bond their investment requirements will not be met by an exchange for an Ontario guaranteed bond and in such cases a sale is suggested with the proceeds to be placed in some other corporation bond selling at approximately the same price. Through this action it is suggested that the investor stands a good chance to regain his loss when corporation bond prices move up.

Dominion Stores Shares Earn 80c

Net profit of Dominion Stores Ltd. in the first six months of 1932 is reported at $226,074, or 80 cents per share, as compared with $265,110, or 95 cents per share in the corresponding period of 1931. The figures are after deduction of all fixed charges, including Federal income taxes calculated at the increased taxation rate applicable to both periods and new provincial taxes applicable to the 1932 period. Stock of the company outstanding was increased from 277,715 shares at June 30, 1931, to 282,382 shares at June 30, 1932.

Total volume of sales in the first six months of 1932 showed a decrease of 8.92 per cent from the corresponding period in 1931. During the five weeks of July sales totalled $2,161,737, a decrease of 12.18 per cent from sales in July, 1931.

BEAUHARNOIS PLANT NEARING FINAL STAGES

Four Units Installed — Ottawa is Paying Bills

From Our Own Correspondent

MONTREAL. — Four units of 50,000 h.p. have already been installed at the power plant of the Beauharnois Light, Heat and Power Co. at Melocheville, Lake St. Louis. It is stated that the machines will be turned over and tuned up in the next six weeks and that, barring accidents, all will be in readiness to commence deliveries of power on October 1 next as called for in the contracts with Montreal, Light and Power Consold. and the Ontario Hydro-Electric Power Commission.

Plans call for the eventual installation of 10 units of 50,000 h.p. each at the plant and these additional units will be installed as the extra power is needed. Meantime it is proposed to turn water into the canal by the end of this week. By the end of August the level of water within the canal will be sufficiently high to permit the operation of the waterwheels.

No statement has been issued by the bondholders' committee lately as to its progress in connection with securing additional funds in order to assure completion of the project. Up to the moment expenditures on such items as payrolls and material purchases have been met through advances secured from the Federal Government.

One report has it that the company has been successful in raising $7,000,000, or sufficient to take care of expenses until the plant commences operations on October 1. This is officially denied. On the other hand, it is currently believed that the company is now in a position to raise additional funds, but no details are available as to the source.

PACIFIC TERMINAL ISSUES NEW PLAN

Bondholders Asked to Waive Full Interest Three Years

Holders of Pacific Coast Terminals Ltd., 6½ per cent first mortgage sinking fund bonds have been asked to agree to postponement of interest payments for a period of three years from February 1, 1931, on the understanding that interest will be paid so far as earnings will permit. This plan is the second proposal to be made to bondholders. The first made early in the current year provided for an exchange of the present first mortgage bonds for new 5 per cent bonds, interest on which was to be guaranteed by Consolidated Mining & Smelting Co. There is $1,500,000 of first mortgage bonds outstanding and $300,000 of 7 per cent 20 year debentures interest on which is being paid by the city of New Westminster under a guarantee.

In the six months ended June 30, 1932, revenue of the terminal company is reported at $92,405 compared with $94,692 in the corresponding period of 1931. Operating expenses were reduced to $67,567 from $75,984 leaving profit available for bond interest of $24,838 in the first half of 1932 against $18,708 in 1931. Bond and debenture interest totals $59,250 for the half year. Net loss in 1932 was $35,607 compared with net loss of $40,542 in the first half of 1931.

The company handles the major portion of shipping business on the Fraser River, in British Columbia, and operates a cold storage plant. Tonnage handled in the first six months of 1932 was 194,274 tons which exceeded the 177,134 tons handled in the first half of 1931 and the previous peak of 182,908 tons in the first half of 1930. Results in the last half of 1932 are expected to be better since the Ottawa conference may serve to increase exports of lumber, bar metal and apples. Development of an export market for sulphate of ammonia from the new fertilizer plant of Consolidated Smelters also holds possibilities.

B. C. CIVIC DEBT NOT EXCESSIVE BAIRD STATES

Drop is Shown From 1914 Level Outside of Vancouver District

From Our Own Correspondent

VANCOUVER.—Outside of the greater Vancouver area, the net municipal debt of British Columbia has been reduced in the last 18 years from approximately $44,100,000 to $38,500,000 and the general financial condition of municipalities in this province is extremely good, according to Robert Baird, inspector of municipalities, who has completed a special report for the government. Net liability of Vancouver, Point Grey and South Vancouver in 1914 was some $41,900,000 increased to $61,577,000 in 1931. Total for the province is up to $100,207,000 from $86,000,000.

Mr. Baird points out that he is not giving a clean bill to all municipalities and he admits that there has been extravagance in many cases, but on the whole, he says it can be stated that in recent years the municipal councils have held themselves within reasonable bounds, considering the constantly increasing demand for public services.

At the beginning of the current year, states Mr. Baird, three B. C. municipalities were obligated to defer payment of interest coupons, but this situation has since been cleared up.

Tax Arrears at 1923 Level

Total population of B. C. municipalities is 519,823. Taxable land is valued at $303,667,022; taxable improvements, $384,429,000. Land and improvements exempt from taxation are valued at $149,274,000. The municipalities have sinking funds of $29,706,000 as against a theoretical requirement of $31,517,412. There were tax arrears in 1931 of $5,785,000 or about the same amount as in 1923, at a corresponding time in the post-war depression, but since then the population has increased substantially, so that 1931 figures are proportionately less.

There is practically no new borrowing by B. C. municipalities at present. Even when conditions improve, according to Mr. Baird there is no justification for further debenture issues. The total municipal debt, included that contracted to build modern Vancouver, has increased from $86,000,000 in 1914 to $100,207,000 in 1931, which is considered moderate in view of the vast improvements carried out in British Columbia's largest city.

Debt Not Comparable

"The year 1931 and the current year, 1932, so far as it has gone, have been a difficult period for municipal administrations," reports Mr. Baird. "Borrowings have now practically ceased and councils have only at their disposal the revenues which they collect. The embarrassing burden is, of course, the uncontrollable expenditure, and in a great many cases the limit of annual charges which the municipality can bear has been reached."

Exception is taken to figures recently published by the Dominion Bureau of Statistics showing municipal taxation to be higher in British Columbia than elsewhere in Canada. It is claimed that there really is no common basis for comparison; that the debt for school purposes in B. C. is a municipal debt, and that 21.5 per cent of the debt is represented by public utilities, many of which show a substantial profit.

Accountants to Meet This Year in Saint John

Annual meeting of The Dominion Association of Chartered Accountants is to be held at Saint John, N.B., Aug. 23 to 26. Representatives to the Council of the association and other members will be present from the nine provincial institutes of chartered accountants. President Arthur E. Cox, of Saint John will preside at the sessions.

In addition to consideration of general business and of accounting methods and developments, important papers on accounting subjects will be presented by Charles B. Couchman, of New York, president of the American Institute of Accountants, and by Frank M. Harvey, of Calgary, who has had wide experience in the accounts of public utilities in Western Canada.

Bond Sales

UNITED COUNTIES OF STORMONT, DUNDAS AND GLENGARRY, ONT.

R. A. Daly & Co. has been awarded $50,000 6 per cent debentures of the United Counties of Stormont, Dundas and Glengarry, Ont., at 100.31, a cost basis to the borrower of 5.93 per cent. The debentures mature in 10 installments and principal and interest is payable in Toronto, Montreal and Cornwall. Proceeds of the issue will be used to repay in part the United Counties' share of cost of highway construction. Bids for the issue were as follows:

R. A. Daly & Co.	100.31
Dyment, Anderson & Co.	100.201
Bell, Gouinlock & Co.	100.197
C. H. Burgess & Co.	99.837
J. L. Graham & Co.	99.635
Dominion Securities Corp.	99.629
Wood, Gundy & Co.	99.577
Harris, MacKeen & Co.	99.53
H. R. Bain & Co.	99.26
Nesbitt, Thomson & Co.	98.62
McLeod, Young, Weir & Co.	98.38

Windsor Hotel Defer Payment On Preferred

From Our Own Correspondent

MONTREAL. — Directors of Windsor Hotel Ltd., of Montreal, have decided to defer dividend action to the 6½ per cent preferred stock until the end of the year when it will be possible to determine financial returns for the full twelve months and at the same time estimate prospects for the 1933 season. In the middle of May last the directors declared a dividend of 81¼ cents on this stock, putting it on an annual basis of 3¼ per cent.

Two years after the incorporation of the present company in 1927, a Montreal syndicate of investment bankers offered publicly $2,500,000 of the 6½ per cent cumulative preferred stock. The offering price was 99, together with a bonus of ½ share of common with each share of preferred stock. Regular dividends were paid until June 1 of this year, when the rate was cut in half.

Earnings on the preferred stock between 1928 and 1931 were comfortably in excess of preferred dividend requirements, returns for 1931 showing a profit of $6.78 a share. The business depression, together with a slump in tourist traffic, has had an adverse effect on earnings this year. Although considerable savings have been made through the medium of various economies, the deferment of the dividend at this juncture has been decided upon not only for the reasons enumerated above, but also to conserve the cash position of the company.

New Industries and Plant Extensions in Canada

Compiled Weekly By The Financial Post

E. S. & A. Robinson (Canada) Ltd., have leased a plant in Toronto where they will carry on printing and lithographing operations and the manufacture of paper products. The company is the new Canadian subsidiary of E. S. & A. Robinson, Ltd., of Bristol, Eng., one of the leading concerns in its particular field in the British Empire.

McQuay-Norris Manufacturing Co. of Canada, Ltd., manufacturers of pistons and piston rings, recently commenced operations in their new plant at Mt. Dennis, near Toronto.

Schindler Co. of Canada, Ltd., new Canadian subsidiary of H. Schindler & Co., Inc., of Boston, Mass., manufacturers of gut and silk strings for tennis rackets and musical instruments, has leased a factory building in Mimico, and will commence operations in about a month's time.

Bell Distributing Co., Ltd., has erected a new plant in Edmonton, Alta., at a cost of $20,000. The company will use the new plant as a distributing centre for oils and greases for the Northern Alberta field.

Detroit Stoker Co. of Canada, Ltd., has made arrangements with Geo. White & Sons of London, Ont., for the latter company to manufacture the Detroit Stoker automatic mechanical device for feeding coal under boilers in industrial and heating plants.

Truscon Laboratories of Detroit has leased a section of the Truscon Steel Co. of Canada's plant at Walkerville for temporary use.

Wel-Ever Piston Ring Co., of Toledo, Ohio, will open a Canadian plant in the near future in Windsor, Ont., a building being already leased in that city for the purpose.

General Fireproofing Co. of Canada, Ltd., and Geo. B. Meadows, Ltd., are forming an affiliation and will occupy the same plant in Toronto. The two companies will maintain their separate identity and both sections plan expansion immediately.

Mid-West Shoe Co. recently commenced business in Winnipeg with a capacity of 150 pairs a day.

Miller Independence Asks Shareholders For Funds

Shareholders of Miller Independence Mines have received an official notice requesting subscribers to purchase treasury shares to safeguard the property. The treasury of the company is without funds, and taxes are said to be due while other necessary expenses, incidental to the maintenance of the property, demand that prompt action be taken. Shares are being offered at 15 cents each without any commission. No work has been done at the company's property in Pacaud township, adjoining Barry Hollinger Gold Mines, for several years.

B. C. Lumber Exporters Fare Better Than U. S. A.

The report of the Pacific Lumber Inspection Bureau for the first six months of 1932 shows water-borne shipments from B. C. as 235,533,882 feet, as compared with 276,093,950 feet for the same period in 1931, or a decline of 14.69 per cent.

Shipments from Washington show a drop of 41.40 per cent and from Oregon 47.01 per cent, so British Columbia seems to have fared somewhat better than her American neighbors.

Bond Tenders

August 15, Megantic, P.Q.—$30,000 serial bonds dated July 1, 1932, redeemable from July 1, 1933 to July 1, 1940, at 6 per cent interest. Object of loan: enlargement of hydro electric plant. D. L. Lippe, clerk.

August 15, Megantic, P.Q.—$26,000, maturing on December 1 of the following years: $300 in 1939; $300 in 1940; $400 in 1941 and $25,000 in 1943. Bonds are issued under virtue of by-law number 84. D. L. Lippe, clerk.

August 16, 1 p.m., Township of East Whitby, Ont.—$85,000 10 installment 6 per cent debentures. Full particulars may be obtained from G. D. Conant, Oshawa, township solicitor, or P. G. Purves, township clerk, Columbus, Ont. (See page 8).

August 23, Village of Priceville, P.Q.—$15,000 of 6 per cent debentures dated September 1, 1932, and maturing in 30 years. C. E. Rioux, sec.-treas.

BRITISH COLUMBIA

The following certificates have been issued by the Municipal Department of the Province of British Columbia upon the following dates:

May 30, 1932—City of Victoria, Unemployment Relief Loan, $500,000, payable in 15 years with interest at 6 per cent payable half-yearly. June 2—City of Nanaimo, Local Improvement Consolidating By-law No. 511, $4,500, payable in 10 years with interest at 5 per cent payable half-yearly. June 6—City of Victoria, Serial Debentures Refunding Loan By-law, 1932, by-law No. 2584, $200,000, payable in 15 years with interest at 6 per cent payable half-yearly. June 7—City of Cranbrook, $17,849, payable in 10 years with interest at 5 per cent payable half-yearly. June 16—City of Trail, $1,290, payable in 20 years with interest at 5 per cent payable half-yearly; June 16—City of Trail, $182, payable in 20 years with interest at 5 per cent payable half-yearly; July 6—City of Trail, $1,472, payable in 20 years with interest at 5 per cent payable half-yearly; July 19—City of Prince Rupert, $119,476, payable in 20 years with interest at 5 per cent payable half-yearly; July 25—District of Oak Bay, $4,825 payable in 10 years with interest at 5 per cent payable half-yearly; July 25—District of Oak Bay, $1,523 payable in 10 years with interest at 5 per cent payable half-yearly; July 27—City of North Vancouver, $5,070, payable in 20 years with interest at 5 per cent payable half-yearly; July 27—City of North Vancouver, Sanitary Sewer Local Improvement, $1,885, payable in 20 years with interest at 5 per cent payable half-yearly.

C. A.'s President

ARTHUR E. COX, C.A.,

of Saint John, N.B., president of the Dominion Association of Chartered Accountants, who will preside at the annual meeting of the association to be held in Saint John August 23-26.

DOMINION GAS HAS INCREASED PROFIT

Working Capital Position Down — Bank Loans Increased

Dominion Gas & Electric Co. had consolidated net earnings of $2,153,664 in the 12 months ended March 31, 1932, applicable to prior charges of subsidiary companies comprising annual interest of $508,161 on debt held by the public. In the year previous net earnings amounted to $1,826,928 and prior charges to $546,742. Gross earnings increased to $4,522,337 from $4,095,463. Earnings were derived as follows, 76 per cent from natural gas and 24 per cent from electric light and power operations.

Dominion Gas, a subsidiary of American Commonwealths Powers Corp., controls several public utility companies in western Canada including Canadian Western Natural Gas. Light, Heat & Power Co., Edmonton Utilities Ltd., and Canadian Utilities Ltd. The Dominion Gas balance sheet at December 31, 1931, gives fixed assets a value of $30,689,955. Current assets were down to $1,349,050 from $1,443,152 the preceding year and current liabilities were up to $1,718,871 from $629,734. As a result a deficiency of $369,821 was shown in working capital which compares with working capital of $813,418 the preceding year.

Working Capital Down

Among current assets, cash dropped to $79,476 from $329,745 and accounts receivable increased to $722,418 from $489,399. Inventories were reduced to $289,315 from $346,574 and unmeasured services were up to $249,452 from $223,931. Among current liabilities bank notes payable were increased to $886,500 from $190,000 and funded debt interest accrued increased to $388,000 from $38,854.

The reserve for retirement and replacement increased to $5,938,977 from $5,523,619. There was little change in capitalization during 1931. The funded debt of Dominion Gas & Electric consists of $8000,000 6½ per cent first lien and collateral bonds due 1945 and $3,000,000 of 6 per cent notes due July 1, 1933. Funded debt of subsidiary companies is $3,708,566. Minority interest in the common stock and surpluses of consolidated companies is $448,377. Dominion Gas has $2,250,000 of first preferred and $2,076,700 of second preferred stock outstanding as well as $4,136,400 of preferred stock of subsidiary companies. Common stock and surplus of Dominion Gas is shown at $2,228,708 against $2,589,135 the preceding year although the number of common shares outstanding is up to 592,500 from 500,000.

Consolidated earnings statement is as follows:

CONS. EARNINGS STATEMENT
12 Months Ended March 31

	1932 $	1931 $
Gross earnings (incl. other inc.)	4,522,337	4,095,463
Oper. exps., maint. & Dominion taxes	2,368,673	2,268,535
Cons. net earnings	2,153,664	1,826,928
Prior chgs. of subsids., comprising annual int. on debt held by the public (less inc. from invest. in sink. funds) and annual divds. on pref. stks. held by the public	508,161	546,742
Minority int in earns. of subsid. cos.	27,806	13,818
Prem. on U. S. exch.	84,291	......
Int. on bonds	520,000	520,000
	1,013,406	746,368
Interest on notes	180,000	180,000
Prem. on U. S. exch.	21,545	......
Net profit available for divds. and res.	811,861	566,368

VANCOUV'R GEORGIA MAY CHANGE BONDS

Propose Sinking Fund Bonds For Serial Issue in Default

Plans to adjust the default on bonds of the Vancouver Georgia Hotel Co. have been divulged to bondholders by S. W. Straus & Co., sponsors of the issue, and involve the exchange of the present 6½ per cent first mortgage serial bonds for new 6 per cent first mortgage sinking fund bonds maturing June 1, 1947. Serial maturities of the present issue due on June 1 in United States funds have not been paid due to the high rate of exchange prevailing.

Bondholders will be asked to accept the new bonds proposed which will be secured by the original trust deed and a supplementary trust deed giving effect to changed provisions. The new bonds will pay a minimum interest of 4 per cent a year and 6 per cent if this rate is earned. Interest will be cumulative in case the 6 per cent rate is not earned and paid in some years. Interest and principal payments will be made in United States funds as called for in the present trust deed.

After interest requirements have been provided, surplus income will be set aside to create a reserve fund for interest, taxes, insurance, and sinking fund while the equity holders will participate to some extent. Costs of reorganization will be met by the mortgagor corporation. The hotel will continue to be operated by Pacific Western Hotels Ltd. under the 15 year lease entered into in 1931. Earnings available for first mortgage requirements in the four months ended April 30, 1932, are reported at $25,710. The original bond issue amounted to $1,350,000 due serially June 1, 1929, to 1942. There is presently outstanding some $1,260,000 of the issue.

Quebec Catches Lobsters

According to the revised statistics on lobster fishing, furnished by the Dominion Bureau of Statistics, Quebec lobstermen landed 1,153,000 pounds of the crustaceans in 1931, or 81,000 pounds more than in the previous year.

HOT, DRY WEATHER HAS REDUCED YIELD

Time Past When Rain Would Help, Says Free Press

Crop conditions in western Canada have recently taken a backward step and while there have been other contributory causes the main trouble has been extremely dry weather and extreme heat, according to the fifth general crop report of the Winnipeg Free Press, dated August 6.

Lack of reserve moisture made the country unable to withstand the dry weather and the crops have suffered in both yield and quality. Rains now would materially assist unfinished crops of Durum wheats and later sown grains, but the great bulk of the wheat acreage cannot now benefit as harvesting has begun at many points and will be general by the middle of the month.

Of the 378 points throughout the prairies queried, 347 were heard from. Reports from 98 points reported wheat still good; 106 medium; 92 fair and 29 poor.

Saskatchewan has suffered most but probably Southern Alberta is experiencing the keenest disappointment as up to the end of the first week of July the promises in this district were the brightest of the three provinces.

Oats and barley are poor in all provinces and large areas of oats have been cut in Manitoba to save them from grasshoppers.

Rust and sawfly damage is reported from some areas but the damage is slight. Grasshoppers are still rife and coarse grains and later sown wheats will likely suffer.

Hail damage has been reported from a number of points but the total loss has not been excessive.

Ontario Farm Operations Hindered By Rain

Wheat harvesting in Ontario is nearly completed according to the report of the Department of Agriculture dated August 8, with much of the threshing finished in the earlier sections. Barley, mixed grain and early oat harvest is now in full swing.

Continued frequent rains are causing considerable delay in harvesting operations in Eastern Ontario. Northern Ontario, which has suffered all summer from drought is now getting a more generous supply of rain and pastures, late potatoes, roots, corn and late grain crops are benefiting.

Farmers are utilizing the showery days for plowing and preparing for fall wheat but the Department warns that the Hessian fly is causing considerable damage to wheat fields and farmers would be well advised to sow fall wheat later than usual.

INVESTMENT SECURITIES
The National City Company
Limited
360 St. James St.
MONTREAL
320 Bay Street
TORONTO

Advisory Board
Sir Charles B. Gordon, G.B.E.
Sir John Aird
W. A. Black
A. J. Brown, K.C.
Wilmot L. Matthews
F. E. Meredith, K.C.
Lt.-Col. Herbert Molson, C.M.G., M.C.
W. N. Tilley, K.C.
The Hon. J. M. Wilson
600

INDUSTRIAL ACCEPTANCE CORPORATION Limited
Commercial and Industrial Bankers
Head Office—Windsor, Ontario

Capital: $1,000,000
Complete Trust Service
covering
Wills and Trusts
Mortgage Loans
Real Estate and Investment
Registrar and Transfer Agents
Safety Deposit Vaults
THE EASTERN TRUST COMPANY
Head Office — Halifax, N. S.
Saint John, N.B. St. John's, Nfld. Charlottetown, P.E.I.
MONTREAL
212 St. James Street W.

INDUSTRIAL CHEMISTRY
IS THE APPLICATION OF THE SCIENCE OF CHEMISTRY TO MANUFACTURING. THERE IS NO MYSTERY ABOUT IT. IT IS ONLY SCIENCE PLUS THE ABILITY TO USE AND APPLY SCIENCE.
MILTON HERSEY COMPANY, LIMITED
INDUSTRIAL CHEMISTS AND ENGINEERS
MONTREAL - WINNIPEG

Summary of Week's Annual Reports

A brief analysis of company earnings per annual statements received since last week's issue. Company name in bold type indicates stocks listed in Canada or New York. Net income shown is before preferred dividend, if any. Market prices are at close on Tuesday this week or last sale.

Company	Year End	Net Income 1931 $	Net Income 1930 $	Common earnings 1931 $	Common earnings 1930 $	Curr. divid. $	Balance car. fwd. 1931 $	Balance car. fwd. 1930 $	Mkt.	Mkt. times earn.	% Yield
International Proprietaries Ltd.	Dec. 31	944,907	963,688	*4.21	*4.30	†2.60	832,467	604,117	...	...	...
Spruce Falls Power & Paper Co.	Apr. 30	1,106,262	753,602	0.67	...	...	10,706,121	10,572,866	...	...	...

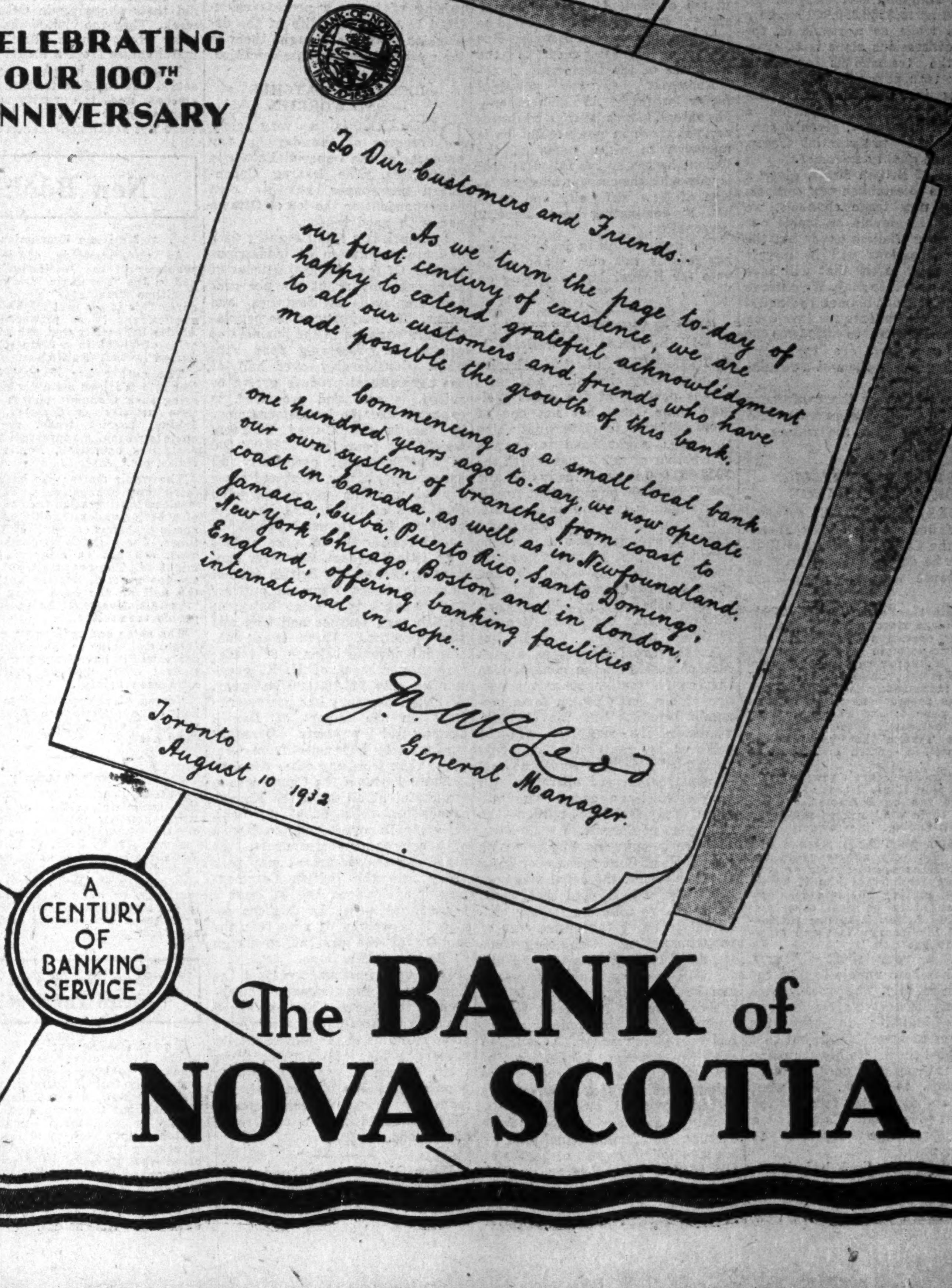
*Class "A" stock. †Regular dividend rate to which was added 10 cents in participating dividends during 1931.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	—Sold To—	Rate	Maturity	Amount	Price	Basis
Victoria, B.C.	Aug.	Wood, Gundy & Co.	6%	15-yr.	$300,000	*101	5.90%
United Counties of Stormont, Dundas and Glengarry	Aug.	R. A. Daly & Co.	6%	10-ins.	50,000	100.31	5.93%
Teck Township	Aug.	Construction Finance Co., North Bay	6%	....	150,000	96.00	.....
			6%	....	125,000	100.00	.....
Valleyfield, P.Q.	Aug.	Wood, Gundy & Co.	6%	1933-52	140,000	.....	.....
Provincial—							
Saskatchewan	Aug. 9	Royal Bank, Can. Bank of Commerce, Bank of Montreal, Imperial Bank, Bank of Nova Scotia, Bank of Toronto, Dominion Bank, Dominion Securities Corp., A. E. Ames & Co., McLeod, Young, Weir & Co., Wood, Gundy & Co., Bell, Gouinlock & Co., Fry, Mills, Spence & Co., Royal Securities Corp., Hanson Bros., R. A. Daly & Co., Nesbitt, Thomson & Co.	6%	1952	2,000,000	*98.25	6.15%

*Offering price.



1832-1932
CELEBRATING OUR 100TH ANNIVERSARY

To Our Customers and Friends..

As we turn the page to-day of our first century of existence, we are happy to extend grateful acknowledgment to all our customers and friends who have made possible the growth of this bank.

Commencing as a small local bank one hundred years ago to-day, we now operate our own system of branches from coast to coast in Canada, as well as in Newfoundland, Jamaica, Cuba, Puerto Rico, Santo Domingo, New York, Chicago, Boston and in London, England, offering banking facilities international in scope..

J. A. McLeod
General Manager.
Toronto
August 10 1932

A CENTURY OF BANKING SERVICE
The BANK of NOVA SCOTIA

THE FINANCIAL POST
Member Audit Bureau of Circulations

President—JOHN BAYNE MACLEAN
Vice-President—HORACE T. HUNTER
Manager—GORDON RUTLEDGE
Editor—FLOYD S. CHALMERS

A weekly newspaper, presenting in a popular manner, reliable information respecting investments, business and national affairs in Canada.

THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

The detailed circulation statement we submit is the sworn finding of the Audit Bureau of Circulations, the recognized independent authority. THE FINANCIAL POST is the only Canadian financial paper submitting its circulation to the A. B. C. inspection.

ADVERTISING RATES
Single Insertion—$3.65 per inch.
Debenture and Dividend Notices—26c. per agate line.
Contract rates upon request.

SUBSCRIPTION PRICE
Canada, United States, Mexico, British Empire, $5.00 per year; all other countries, $6.00.

Published by
THE MACLEAN PUBLISHING CO., LIMITED
143 University Ave., Toronto 2

MONTREAL, Southam Building, Murray R. Chipman, Eastern Manager; John E. Langdon, Eastern Editor. GT. BRITAIN, London, The MacLean Co. of Great Britain, Ltd., 2, 3 and 4 Cockspur St., London, S.W. 1. E. J. Dodd, Director.
THE FINANCIAL POST BUSINESS YEAR BOOK. Yearly, $2.
THE FINANCIAL POST SURVEY OF CORPORATE SECURITIES. Yearly, $2.
THE FINANCIAL POST SURVEY OF MINES. Yearly, $2.
THE FINANCIAL POST RECORD OF PROSPECTUSES. Half yearly, $7 per volume.
THE FINANCIAL POST CORPORATION SERVICE. $20 monthly. Special prices for selected part service.
DIRECTORY OF CANADIAN DIRECTORS AND OFFICIALS. Yearly, $10.

TORONTO, AUGUST 13, 1932

EXAGGERATION USED TO BELITTLE PARLEY

BEFORE the Imperial Economic Conference opened, The Financial Post expressed the opinion that impossible achievements should not be demanded from the gathering. Those who were putting it up to the Conference finally to solve world problems of great magnitude were merely preparing the public mind to be disappointed with any reasonable results falling short of millennial importance. They were conducting an insidious type of anti-Conference propaganda.

The dangerous propaganda of exaggeration continues while the conference is in session and figures are bandied about that are not only thoroughly ridiculous but are dangerous to have in general circulation. The figure of 400,000 head of cattle per annum, that some people tell us we can sell immediately to the Old Country now that the embargo is to be lifted, is an example. If we had 400,000 head of suitable cattle in process of finishing, which our minister of agriculture assures us we have not, we could not hope to place them all at once. Canada will gain greatly from the lifting of this embargo even if it sells yearly but a fraction of the 400,000 head of cattle that have been mentioned.

An equally misleading figure is that which appeared in many newspapers the day following the submission of Canada's offer to Great Britain. It was reported that the new tariff concessions presented by Canada would open up for Britain a new market of between $100,000,000 and $200,000,000. Last year we bought $110,000,000 of United Kingdom merchandise. To mention up to $200,000,000 increase in this trade as a result of the tariff concessions alone is to overlook the tremendous economic, social, transportation and other changes involved in such a reorientation of trade. Given a return of prosperity, given a suitable two-way preferential treaty, given high quality salesmanship on the part of British firms, given a few years to establish new contacts and dig new trade channels, we might easily double or treble our purchases of British goods but the tariff concessions will be merely one of many forces that will have to be brought into play. We observe that one journal blames the newspaper correspondents for inventing the $100,000,000 to $200,000,000 figure but they are the exact amounts given to them at a regular press conference.

To be a success the conference does not have to change water into wine or hold back the waters of the Red Sea.

MISTAKEN IMPRESSION OF C. N. R. CHANGE

FORBES MAGAZINE assumes the failure of Sir Henry Thornton in the Canadian National Railways to be due entirely to political interference with his work. Says Forbes:

> "In less than a decade, Sir Henry has achieved most impressive results—cost of operation has been drastically reduced; train load has been increased forty per cent; the average speed of freight trains has been enormously increased; one pound of coal now does as much as formerly done by two pounds; and so forth. What was an extremely loose-jointed, inefficient 'system' has been welded into a well-integrated efficient system.
>
> "What is Sir Henry's reward?
>
> "The politicians, tired of having the road run on businesslike lines, without their 'aid,' started pin-pricking, fault-finding, interfering.
>
> "Sir Henry's friends warned him that, in the very nature of things, the politicians would sooner or later harass and embarrass him if he insisted on putting business considerations ahead of political considerations. And so has it turned out, despite all Sir Henry's tact and diplomacy. He has quit."

From a very short distance, Forbes has been unable to read the situation rightly. The trouble with Sir Henry Thornton's regime was not his inability to keep the politicians at arms' length but that he enfolded them into his arms and ran his railway on a political basis from start to finish. He went further and attempted to make the Canadian National Railways a political machine superior to government.

A little more "political interference" in the C. N. R. in the form of refusal of parliament to vote the millions asked for senseless new developments would have been valuable to the taxpayer. Forbes has made a very inept and inaccurate size-up of the situation.

WASHINGTON'S VIEWS

A WASHINGTON source offers an interesting explanation of the "better feeling" prevalent across the border. When it was necessary to push emergency relief measures through Congress the administration painted the economic picture in deep blue colors. Now that the legislation is on the books and an election in the offing, it is again desirable to stress constructive factors. Washington warns against too rapid an increase in stock market prices while obstacles of large size still remain in the path of final and complete recovery.

But "Washington" has been wrong so often on the economic situation that American business no longer feels it can call a turn, upward or downward.

POTENTIAL MARKET

GREAT BRITAIN can, if she wishes and if she finds it profitable, divert a larger share of her import orders to Dominion countries. There are many commodities, mainly agricultural, produced in the Dominions that Britain now imports largely from foreign countries.

In the first six months of the present year, Great Britain purchased more oats from the Argentine than from Canada; more bacon from each of Denmark, Poland, Netherlands and Sweden than from Canada; more hams from the United States; more cheese from the Netherlands; more tobacco from the United States; more hides from Germany and the United States, and more leather from United States; more paper from Scandinavia; more timber from the United States, Russia, Sweden and Finland; more wood pulp from Norway and Finland than from Canada.

A similar situation would be revealed by an analysis of many Canadian imports from United Kingdom and from foreign countries.

BUSINESS EXPECTS HOOVER RETURN

A BRIEF survey of the opinions of American newspaper correspondents who have come to Ottawa for the Imperial Economic Conference brings to light their practically unanimous opinion that Franklin D. Roosevelt will be elected president of the United States on November 8. It may be unwise to quarrel with such an expert sum of opinion but the forecast is at variance with that expressed by confidential business services across the line. Hoover's return by a narrow margin is expected by the editors of some of these services, who wear on their ears business stethoscopes if not political ones.

Improvement in the stock market will help Hoover unless there is an early crash which would be bad for him. In this connection, some people believe that the Democrats have engineered this rise hoping the drop later will injure the Republicans. The improvement has not yet been reflected in general business and no trade upturn can be expected before early September at the earliest. If it should show signs of developing then it would be early enough to help Hoover. But Hoover's highest card is the weakness of the Democrats.

Roosevelt has one powerful factor working in his favor—discontent, which always militates against those in power. But he is unknown in many parts of the Union; he has so far failed to deal firmly with the corrupt administration of New York city and he is not a dominating and forceful personality.

The issue is still in doubt but big business is not only planning to vote for Hoover but is betting on him.

OPEN-HANDED TAXPAYER GIVES CANAL TO WORLD

STATESMEN of the Empire made very charming addresses at the opening of the great Welland Ship Canal but not one of them bothered to state what value the canal might have to Canada or whether or not it was worth the $200,000,000 it has already cost and the $12,000,000 or more that it will cost annually to carry and operate.

Of course, the canal has some value to shipping and it is to be hoped that part of this value will translate itself into dollars and cents benefits for Western farmers and other groups of producers. But this value has never been effectively measured. Canada has built the canal largely as a gesture of assent in the general idea that canals that lengthen the voyage of big boats return some economic benefit. But that benefit, whatever its measure, will be achieved by groups that can only be raggedly defined while the cost of construction and operation will be carried by a group who will know and feel the burden—the taxpayers of Canada.

There is only one way in which the people of Canada can ever know whether or not the canal was economically justified and that would be to charge tolls for its use sufficient to carry the entire cost of the undertaking. If shipping needs the canal enough to use it and pay the tolls to carry it, then its worth can be taken for granted; but if the charging of tolls were to dry up traffic then we would know we had wasted our money. As it is, we are torn between admiration for the sheer engineering marvel of the shipway and our lack of knowledge as to its economic value.

Every Canadian boat that passes through the Panama Canal pays an average toll in excess of $4,000 or about $1 a ton of cargo carried. Every ton of cargo carried through the Suez Canal pays about $1.50 in traffic tolls. The Manchester Ship Canal is a profit-making institution, charging tolls.

The Panama Canal each year makes enough profit, after operating expenses, depreciation and amortization of the property account, to return the United States government about three per cent on its investment. The Suez Canal ordinary stock pays annual dividends of 76 per cent per year. The Manchester Ship Canal pays interest on $50,000,000 of bonds and 5 per cent dividends on $45,000,000 of stock.

But the Canadian taxpayer pays all the expenses of vessels, of any country in the world, passing through the Welland Canal.

AIR MAIL CENTRE OF ATLANTIC

THE remarkable achievement of the Canadian government in saving nearly two days in the delivery of Imperial Conference mail from London, through the use of airplanes, is chiefly significant for the encouragement it will give later to faster regular mail services. It can hardly be denied now that the return of prosperity will see some such time-saving arrangement established as a regular feature of Canadian postal service. It is one more notable piece of evidence that Montreal is the air centre of the North American continent.

The disaster to the R-101 was a body blow to lighter-than-air mail transmission. The speedy ships that now operate the North Atlantic route between the St. Lawrence and Europe combined with modern airplanes provide greater safety and economy than dirigibles have yet been able to offer.

Primarily we need now a new set of maps. The present maps, those that show Canada from coast to coast, and those of the world on the Mercator projection, do injustice to the possibilities of this combined ocean-air route as well as to the all-air route via Greenland. The business man who wants to know just how it is possible to cut days off the transatlantic mail delivery time should look at the different routes on a globe or on the special air distance map published elsewhere in this issue. On these the saving in distance is apparent.

UNEMPLOYED ARMIES WILL DISPERSE

IN SOME quarters the recruiting of so-called bonus armies in various parts of the United States and the establishment of such shack towns as Hardluck-on-the-Hudson are hailed as indicating the rise of a new Fascisti group in the United States that will become as dominant a political and economic force as the vigorous battalions of Adolf Hitler in the Reich.

The forecast, alarming as it must be to all established groups and to proponents of the maintenance of law and order, is rather premature. A few dashes of prosperity and the restoration of normalcy in job-creation will send all but the hoboes back to shops and factories again.

The trouble-making leaders of these armies of unemployed, both in Canada and the United States, are doing their faithful followers no good. The chief planks in their platforms call for the spending of more governmental funds, and the raising of taxes, a process calculated to extend the life of the depression that has brought them to their present unfortunate condition.

DENMARK WATCHES —AND WORRIES

DENMARK is a very close observer of the day by day progress of the Imperial Economic Conference. The leading Copenhagen newspaper has its own correspondent on the job at Ottawa and with good reason.

Denmark is a small country with a dense population of industrious people. Of the 3,550,000 citizens of Denmark only about ten per cent are employed in factories and shops. The majority of the population are engaged in the business of raising or processing food supplies. Considerably over half of the agricultural produce grown or raised, is sold and processed, is exported and the largest customer by far is the United Kingdom which last year took $230,000,000 of Danish goods, practically all bacon, eggs, butter, meat and other provisions. The permanent and total loss of the United Kingdom market for Danish provisions would shatter the fortunes of this tidy little Kingdom. Whatever happens at Ottawa the British are not likely to desert Denmark entirely for Denmark is a large buyer of British coal, textiles and iron and steel products. There is a substantial adverse balance of trade; Danish purchases of U. K. goods totalled only $43,000,000 last year. Although Germany has put restrictions on the import of Danish agricultural products Denmark continues to buy more from Germany than from any other country.

Nevertheless if the Conference is successful at all from the Empire standpoint, it is bound to be a blow for Denmark and the fiction of a newspaper correspondent the other day that Denmark may seek entry into the British Commonwealth of Nations had at least a commercial basis. In this connection it is worthy of note that the mother of the present sovereign of Britain was a Dane.

In a very important respect the Conference has already disappointed the Danes. They had hoped that the Ottawa parley would give some stimulus to the movement for a sterling bloc of countries tying their currencies to the British pound. But the dreams of the monetary theorists seem already to have faded in the conference discussions.

When Mr. Bennett handed his proposals to Mr. Baldwin did he say, "Now, put that in your pipe and smoke it.?"

POST-scripts

SOME 60 British industrialists have come to Ottawa to do what they can to help the Imperial Economic Conference to success and at the same time watch their own interests. "The hungry sixty" is what Sir Gilbert Vyle, calls them. Sir Gilbert represents the Association of British Chambers of Commerce.

There was a feeling that the industrialists at Ottawa would be the players in the game of checkers being played there and that the delegates would be the men, but at the dinner the Ottawa Board of Trade gave the industrialists the other night the latter made it clear that they were the men who were being moved about, and one of them said that it would be more apt to describe the conference as a game of chess in which they were merely pawns.

Sir Gilbert said that in Ottawa he had found the last word in hospitality for at the golf clubs the distance marks had been moved back 50 yards for the Conference so that every Britisher could drive 200 yards.

John Bassett, vice-president of the Montreal Gazette, took a jibe at the industrialists. He said that farmers and industrialists were much alike. When they weren't trying to bring influence to bear upon the government they were back home watering their stock.

British industrialists at Ottawa are being shepherded about by Moir Mackenzie, head of the overseas department of the Federation of British Industries, a tall, heavy, athletic type, once famous as a forward in Scottish rugger, who looks as though he could throw Jim Londos two straight falls in 20 minutes.

OPENING the Welland Ship Canal was an event of sufficient importance to bring out the governor-general of Canada, the prime minister of this country, former prime ministers from three other British countries and a varied assortment of additional statesmen. It also commanded for the day the services of the largest grain carrying boat in the world.

But it was all in the day's work to the captain of the S. S. "Lemoyne," pride of the Canada Steamships Line fleet. He put his boat through the canal with nothing to mark the occasion beyond a collection of gay flags. He wore his captain's hat but left all off his gold-braided coat, and as the Lemoyne took the final passage through the gates where the political pride of an Empire was represented by morning coats and silk hats he turned his back on the proceedings and drank a cup of tea.

Tugboat Annie couldn't have done it better.

PRESIDENT and Mrs. Hoover made the front pages of the tabloid papers across the line by doing some of their Christmas shopping in the "five and ten" stores of Washington.

But photographers were unfortunately busy elsewhere when the Indian women, who have accompanied their husbands and fathers to the Imperial Economic Conference, did their shopping in Ottawa last week. They too visited the red and gold front shops that feature merchandise from a nickel upward.

What they bought remains a secret but the fine texture of their clothes and the rarity of their jewels make it clear that they were not seeking decorative finery.

New Books

Maritime Economies

An understanding of the many problems of the Maritimes is to be had in the "Economic Welfare of the Maritime Provinces," by S. A. Saunders. This is the first of the economic publications to be produced by the Acadia University and was awarded a prize of $1,000 in a competition conducted by that institution.

The author has divided his subject into fourteen main divisions, covering such economic phases of Maritime activity as forestry, mining, fishing, tourist trade, agriculture, apple growing, manufacturing, transportation, education, Dominion subsidies, etc.

The whole matter has been treated fairly and exhaustively. There is a wealth of information for one desirous of a better understanding of the economic problems confronting the Maritimes. The author's conclusions, however, are not as clear-cut as they might be. The proposals put forward are too general, but the author, hits the nail on the head when he says "the initiative must be taken by the people themselves."

The notes and references are of interest and value to the student. More space might have been given to statistical data; also an index would have been helpful.

Copies of this publication may be had on application to Acadia University, Wolfville, N.S. The price is $1.50 a copy.

Queen's Quarterly

Queen's Quarterly for August leaves the economic crisis and provides more summery reading. A criticism of the conviction of the Toronto Communists, by Prof. F. R. Scott, of McGill; a picture of state capitalism in Russia, by J. McIntosh Bell; and a discussion of the U. S. presidential campaign by John A. Stevenson are interesting pictures while the literary essays are of the usual high standard.

"Stop Me If You've Heard This One"

A good Quaker was milking a cow whose lively disposition had often taxed his patience severely. The pail was nearly full of foaming milk one evening when, in some manner, the cow managed to overturn it. The old man, in righteous indignation, snatched up a club to strike the exasperating animal, when he remembered the precepts of his religion. He dropped the stick, and in a voice trembling with anger, said: "I may not beat thee, neither may I kick thee; but I am going to twist thy durn tail." And he did.

Business Seeks Answer To Depression Riddle

Many Factors Now Point to Upturn But Fundamentals of Business Recovery Must Not be Overlooked

"Is business on the upturn?"

"How long will the depression last?"

These are questions everyone has been asking for the past two years or more and although as yet there is very little favorable statistical evidence available, there is little doubt that the general tone of business sentiment has improved markedly in the past few weeks, particularly in Canada.

Nine Favorable Signs

Here are a few of the more outstanding favorable omens which are helping to induce a better sentiment and replace doubt and fear by courage and confidence.

1. The rise in agricultural, particularly livestock prices which will materially aid farm buying power.

2. The first important upswing in wholesale commodity prices generally, that has occurred since 1925.

3. Constructive influence of Lausanne conference indicates real strides made toward world co-operation and the prospect of an early removal of the war debt-reparation incubus which has been gradually strangling world business for the past decade.

4. Empire parley at Ottawa and subsequent world economic parley which it is confidently believed will clear the clogged channels of Empire and world trade.

5. In the United States where domestic and international relations must be improved to pave the way for permanent economic recovery on this continent, several factors are noteworthy:

(a) Saner attitude on war debt question exemplified by Borah manifesto.

(b) Raid on the dollar successfully met and ended. This indicates that confidence in the U. S. dollar has been re-established both in United States and abroad.

(c) Adjournment of Congress removes uncertainty and enables business to act and plan more freely.

Two great national industries namely oil and railways, have made substantial progress in putting their house in order and are showing definite improvement along sound economic lines.

6. Prospect of a good crop of wheat in Canada ensures wide distribution of purchasing power even though return to individual farmer may be small. Also ensures widespread activity for transportation and other industries directly dependent on the crop.

7. Bond prices have gained 15 per cent in the past month on the basis of Dow-Jones averages. Market prices of leading industrial stocks are now roughly 50 per cent higher than the low points of a month ago. The entire security market is on a much firmer basis and the recent success of the British conversion loan is heralded as an important indication of a new atmosphere of confidence in financial matters.

8. Foreign exchanges display more stability indicating prospect of less disturbance to foreign trade from this source.

9. Consumption running ahead of production. General production has been cut far below the rate of consumption. Inventories are very low, and real shortages are developing in some lines. Manufacturers,' wholesalers,' and retailers' supplies are small. Just as hog and cattle prices are now advancing because shortage was allowed to develop many other commodities can easily move upward on the slightest buying movement.

How About Fundamental Factors?

Thus the economic and fiscal background for fall business is undoubtedly brighter than it has been for some time. But there have been false starts before and once the seasonal impetus of fall buying has been spent and the bullish propaganda which is already evident on a large scale as the necessary background of a United States presidential election, has shot its bolt, what will prevent a further lapse in economic depression and stagnation?

In other words, to quote Hugh Bancroft, publisher of the Wall Street Journal and head of the Dow-Jones services, it is not sufficient to answer the question "How much longer will the depression last?" by merely saying what has been said with intermittent regularity for the past two years. "The worst of the depression is behind us; from now on things should improve."

What is needed is a really frank answer, and in his opinion the only real answer to question is: "That depends." It depends, he says, upon how much longer it will take to accomplish those things that must be accomplished before business can revive.

"Those things are extremely distasteful to a great many people," he says. "In the past three years an enormous effort, much of it successful, has been expended in hindering, delaying, and preventing the accomplishment of those things that must be accomplished before sustained recovery can set in. There are four prerequisites to business recovery. To estimate accurately the length of the depression one must be able to foretell how much longer it will be before they are accomplished. These four things are:

Wage Scales:

"Wage scales generally must be adjusted to levels not higher than those prevailing in 1917. The same is true of such related items as salaries and rents.

Taxation:

"Federal, state, and municipal budgets must be balanced with expenditures and taxes reduced not less than 25 per cent.

International Payments:

"Reparation and war-debt payments must be completely suspended for a considerable term of years. Final settlement of these obligations must be made in some other way than by the payment of gold or its equivalent.

Tariffs:

"World tariffs as a whole must be revised where they have destroyed international trade without creating equivalent domestic trade."

Investment of Savings in Bonds

Out of each month's income careful investors are now saving a proportion for investment in carefully selected bonds.

Investment suggestions will be sent upon request.

Address our nearest office.

A. E. AMES & CO.
LIMITED
Business Established 1889
TORONTO
Montreal Vancouver Victoria New York London, Eng.

MAGIC BAKING POWDER
ROYAL YEAST CAKES
GILLETT'S LYE
Leaders in their respective markets for more than thirty years
Quality Products of
STANDARD BRANDS LIMITED
HEAD OFFICE: MONTREAL
A Canadian corporation operating Canada's largest fresh food delivery system
MANUFACTURERS AND DISTRIBUTORS OF
Fleischmann's Bakery Products • Fleischmann's Yeast for Health
Magic Baking Powder • Gillett's Lye • Royal Yeast Cakes
Chase & Sanborn's Tea and Coffee

In the Mail

"Pendulum Swings Back"

Editor, The Financial Post:

Your editorial "The Pendulum Swings Back" in the issue of July 9 is beyond compare the best condensed exposition of the causes which have led up to the present depression or lack of confidence that I have seen and it should be placed in the hands of so-called economists (?) who in this hysterical age write immature essays on half understood money problems and have their theories greedily accepted by newspapers feeding the undeveloped mentality of their readers. And of "professors" there is a surfeit whose only claim to dispose of the world's troubles is their pedagogic development. To these your respects are fearlessly paid without offensiveness except as "the wicked flee when no man pursueth."

It seems to the writer hereof that the so-called educational system now enthroned is making the world harder to live in and is the cause of boundless unrest.

It is told of a world famous Governor-General of Canada that being asked his opinion of the unrest then noticeable he tersely replied "too much schooling" and if so then, (the middle 1870's) what of today with the widespread propaganda resulting in enormous outlays of money on school maintenance without a corresponding increase of efficiency on the part of the boys and girls of the modern system as evidence the criticism of the business man who has difficulty in finding youths who in application compare unfavorably with the product of the three "R's" of former days.

This educational comment may be deemed unconnected with the world's ills but is it?

Britain is a leader in extravagance of government with its subservience to labor demands for social service and Canada is a good second, especially Ontario and Toronto.

Keep up the good work.

TOM RANDAL.

Antrim,
July 20, 1932.

Annapolis Crop Smaller

It is predicted that the apple crop in the Annapolis Valley, while somewhat smaller in quantity than that of last year, will be of unusually good quality this year.

Ontario Favors Bees

The number of hives of bees in the Province of Ontario has increased 40 per cent in the last ten years. In the same period poultry in the province has increased 44 per cent.

No one likes to be a "towel toter"

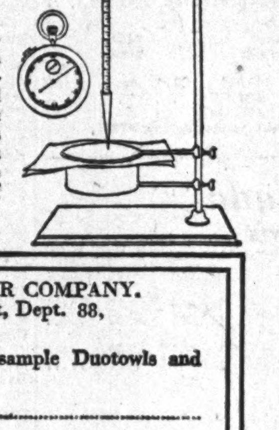
The "Towel Toters" — clean ones on Monday, dirty ones from Wednesday on. Watch the parade! Dry towels on their way to the wash room. Damp, wilted towels on their way back to lockers and desks. No wonder no one likes to be a "towel toter"!

From the employer's standpoint "towel toting" is expensive. Employee and employer alike would welcome a satisfactory substitute—a paper towel that was really efficient.

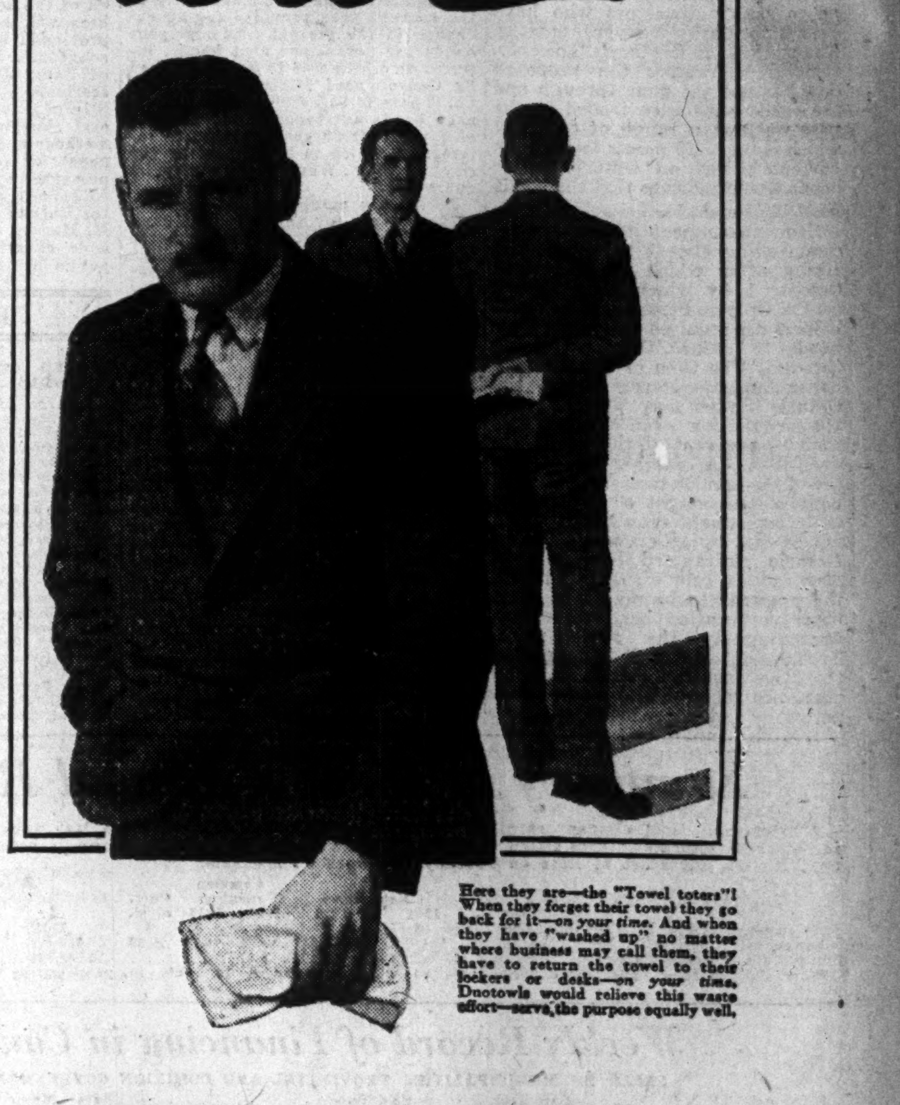
Now DUOTOWL
—An Efficient Paper Towel

Most paper towels are single. Duotowls are *double!* Twice the wiping surface . . . twice the Capillary action . . . *no additional cost.* One Duotowl dries thoroughly! Made from pure, clean fibres which are soft and gentle to the skin. Served from an attractive cabinet located in the washroom, Duotowls are more convenient and cheaper than "weekly" towels. And they dry equally well!

Send today for free samples of this new, more efficient paper towel. At the same time we will send you a booklet which tells in complete detail the many advantages of Duotowls . . . why *you* should use them. Mail the coupon today.



After all, the most important thing about a paper towel is its absorbency. This is tested by the machine shown at the right. Rigid tests are made at frequent intervals to assure the super-absorbency of Windsor Duotowls.



Here they are—the "Towel toters"! When they forget their towel they go back for it—*on your time.* And when they have "washed up" no matter where business may call them, they have to return the towel to their lockers or desks—*on your time.* Duotowls would relieve this waste effort—serve the purpose equally well.

CANADA PAPER COMPANY.
407 McGill Street, Dept. 88,
Montreal, Que.
Please send me sample Duotowls and your free booklet.
Name..............................
Address..............................
City..................Province..................

WINDSOR DUOTOWL

Business Conditions in Canada

The Week in Business

Combination of Many Factors Should Improve Business

July Index of Wholesale Prices is Unchanged

Borah's Speech Troubles U. S. Government

IN THE absence of any specific statistics recording an upturn, the best that can be said for Canadian business during the past week is that a more hopeful attitude is reported from all parts of the Dominion. Maintenance of improvement in wheat prices, a further increase in many prices of commodities at wholesale, increased stock prices and encouraging reports from the Ottawa Imperial Conference have combined to create this situation.

Export trade in wheat is at present dull in anticipation of the new crop and demand has not been a factor in the advances of the past week, advances at Liverpool and activities at Chicago to strengthen commodity prices having been largely responsible for the advances. Added to these factors, certain sections of the West continue to report losses through drought and hot weather, particularly sections without sufficient reserve moisture.

Despite probable lower grain returns from the West than formerly estimated, the current crop will certainly be much larger than that of 1931 and decreased harvesting costs should help to enable farmers to operate at a profit even at the present low grain prices. Reductions in harvesting costs have been effected not only by lower labor costs but by the return to horse-drawn binders in many instances, thus eliminating the excessive cost of repairs on motor-driven machinery. It is stated that costs have been reduced to such an extent in some sections of the country that a profit will be possible even with wheat at 50 cents a bushel.

* * *

ALTHOUGH the expected increase in the Dominion Bureau of Statistics' July index for wholesale commodity prices did not materialize, the preliminary combined figure remained unchanged and this at least marked a halt in the monthly decrease which has continued since November, 1931. Of the 502 items for which quotations are obtained, 65 were higher, 83 were lower and 354 remained unchanged, the combined figure on a 1926 base of 100, remaining at 66.6.

Increases in commodity prices were mainly in the vegetable products group which advanced 0.9 to 55.2 on gains by bran, shorts, coffee and potatoes. The animal and products group advanced slightly to 57.9, increases in quotations for hides, cured meats, butter, eggs, calves and hogs more than offsetting declines in fish, furs, leather, steers and lambs. Decreases in quotations for lumber and chemical and mechanical pulp were mainly responsible for keeping the combined index at its former level.

* * *

RECEPTION by the United States Government of Senator Borah's speech proposing a world conference at which war debts and tariffs would be discussed has practically eliminated the possibility of an early removal of these clouds in the business sky. Commenting on the speech, the Whaley-Eaton Service, Washington, D.C., states:

"His proposals caused very grave embarrassment to the Government, for the following reasons:

"1. The Administration has changed in no respect the conditions under which it will enter an economic conference, and certainly it would not, in a world conference. consider tariffs or war debts.

"2. The war-debts propositions are to be considered individually, and in no other way. The British, who have the best case, are not going to forfeit their advantage by uniting with other debtors. They are to make the first proposition, and the chances are that they will do so in the week of November 6, since action is requisite at least one month in advance of the due date of the next installment, December 15.

"3. There is a third reason, even more important. The President is opposed to cancellation. The Administration tends more and more toward the theory that it will require years to smooth out the trade restrictions in international affairs, wherefore the United States must prove its self-sufficiency, meantime, by working its own way out of the depression. So, in the matter of debts, this administration is not going to make any arrangement which would permit the possibility of new raids on our gold.

"An authoritative view is that Senator Borah, far from clearing the atmosphere, has befogged it."

PRAIRIE OUTPUT OF MANUFACTURES DOWN 15 PER CENT

Saskatchewan Industries Show Biggest Decline from 1929

Flour and feed milling and slaughtering and meat packing go hand in hand as the leading manufacturing industries of the Prairie Provinces, according to the 1930 survey of manufacturing in these provinces made by the Dominion Bureau of Statistics. Flour and feed mills hold a slight lead over meat packing in total value of production with $42,679,083 compared with $41,276,942, these two industries being followed by petroleum products, railway rolling stock and butter and cheese with $22,986,549, $22,400,323 and $21,946,491 respectively.

The total value of production by manufacturing industries in the Prairie Provinces in 1930, was $299,016,538, a decrease of almost 15 per cent from the record total in 1929 of over $351 million. Despite the decreased production, the number of plants and the capital employed had increased from the previous year to new high record totals. Statistics for the past five years are:

Manufacturing In Prairie Provinces

	Plants No.	Capital $	Value of Products $
1926	2,220	233,857,270	263,252,180
1927	2,356	271,425,025	278,190,097
1928	2,386	296,533,785	317,731,838
1929	2,501	339,678,100	351,066,023
1930	2,532	363,829,575	299,016,538

Number of employees and the amount paid in salaries and wages both dropped slightly from 1929, there being 47,835 employees who received $60,262,861 in 1930 as compared with 48,113 employees who received $61,057,380 in the previous year.

Manitoba is the chief manufacturing province, its total production in 1930 being valued at $142,424,990, a decrease of 13 per cent from the previous year. Alberta's industries were slightly less hard hit, the 1930 total of $94,314,782 being only 12 per cent below the 1929 total. Saskatchewan has the smallest total and shows the largest drop from the previous year, the 1930 figure of $62,276,766 being 22.6 per cent less than in 1929. Chief statistics by provinces are:

Manufacturing By Provinces, 1930

	Plants No.	Capital $	Value of Products $
Man	937	188,413,164	142,424,990
Sask.	750	65,486,140	62,276,766
Alta.	845	109,930,271	94,314,782

	Employees No.	Salaries & Wages $
Man.	26,488	33,941,235
Sask.	7,248	9,229,593
Alta.	14,099	17,092,033

Taking the provinces as a whole, the railway rolling stock industry employs the largest number of persons with 7,646, followed by central electric stations with 3,059.

Six Leading Industries, 1930

	Plants No.	Capital $	Value of Products $
21,697,423	42,679,083	21697,423	42,679,083
Slaugh. & pack.	15	14,954,445	41,276,942
Pete. products..	9	14,672,061	22,986,549
R. R. stock	7	14,228,828	22,400,323
Butter & cheese	242	12,751,373	21,946,491
Cent. elec. stat.	254	110,201,671	15,937,545

Investment Securities

Unusually attractive yields are now obtainable from Government Bonds, high-grade Public Utility issues and selected Industrial securities. Copies of our current weekly offering list will be forwarded to investors upon request.

Royal Securities Corporation
Limited

244 St. James Street
MONTREAL

330 Bay Street
TORONTO 2

Halifax Saint John Quebec Ottawa Winnipeg Vancouver
Charlottetown Hamilton Regina Calgary St. John's, Nfld.
New York London, Eng.

N-21

FIVE DOLLARS
WELL INVESTED

Investment Enquiries

The Financial Post Investors' Enquiry Department will answer by personal letter any question a subscriber may have in his mind, dealing with finance, investments or insurance, at no extra cost other than a stamped envelope to cover direct reply. This service is available to all paid subscribers. Many consider it alone worth much more than the cost of an annual subscription. It gives you the complete facts.

THE FINANCIAL POST,
153 University Ave.,
Toronto.

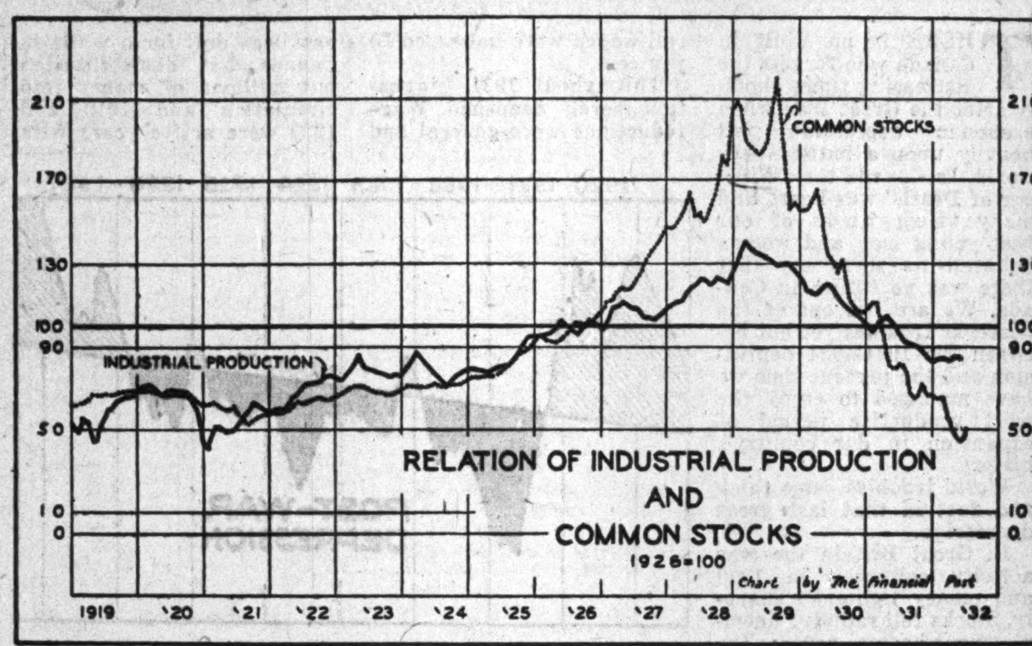
Please send me The Financial Post for the next year (52 issues), this to entitle me to obtain by letter, a personal reply from the Investment Editor to enquiries regarding any Canadian investments in which I may be interested by simply supplying a stamped return envelope. I enclose $5.00.

Name ....

Occupation ....

Address 88

Industrial Activity Allied to Stock Prices



While new elements are continually appearing in any economic situation rendering prediction difficult, considerable assistance may be obtained by a survey of the relationship of fundamental factors such as shown in the chart above. The relationship of the indexes of common stock prices and industrial production for the last thirteen years, as graphically presented, demonstrates the fundamental interconnection between them.

The drastic decline of common stocks in the last three years has precipitated the index far below the index of industrial production. Owing to the close correlation between the two indexes an advance in industrial production would seem to be indicated for the near future unless the recent appreciation in common stocks is a movement of a temporary character.

Expect Business Boom If Bull Market Lasts

Correlation Between Stock Prices and Industrial Activity Closest When Stocks Have 3-Month Lead, Records Reveal

By SYDNEY B. SMITH

The recent appreciation in speculative values is attracting the attention of the economic world. Financial experts of high standing had predicted in the latter part of 1931 an early economic and financial collapse comparable with the fall of the Roman empire and consequent termination of classical civilization.

The depression of the last three years has been admittedly severe involving inactivity and failure to many business enterprises as well as unemployment and privation to millions of workers. The glut of commodity markets and currency dislocation has resulted in drastic deflation of wholesale prices counterbalancing on the average the advances of the war and near-by post-war period. Even under such depressing circumstances, the extreme character of pessimism pervading commercial and speculative circles during the last half year is beyond the comprehension of the student of fundamental conditions. The instinct of self-preservation is the essential element of economic institutions. During a depression readjustments are effected, and strengthening factors introduced which in themselves are adequate to turn the tide.

Effect of Cheap Money

The decline of commodity and speculative prices and the drop in industrial operations result in the greatly diminished demand for money and credit for the transaction of business. Liquid funds are normally turned back to the banks whence cheap and abundant credit becomes one of the chief incentives working for the return of prosperity.

In this statement there is implied a relationship in the fluctuation of the essential factors of economic progress. By a study of such relationship, sequences are established which may assist greatly in contemplating the future. The relation of the fluctuations of industrial production and common stock prices illustrates this principle. The correlation of the two indexes plotted on the same base is unmistakable. From 1919 to 1926 the resemblance in the movement is very obvious. While from 1926 to the present the fluctuation in common stock prices has been more extreme, resulting in a much higher maximum in 1929 and a lower minimum in 1932, the cyclical advance and decline have approximately coincided in trend and in time if not in intensity.

Lack of Confidence

During the first half of 1932, industrial production has been fairly well maintained at the relatively low level of the latter part of last year. Common stocks, on the other hand, reflecting the lack of confidence, retreated further to an exceedingly low point, the index in June at 43.2 being somewhat below the maximum reached in 1921. Industrial production in terms of the monthly average for 1926 was 84 in June forming a sharp contrast with 43.2 the index of common stock prices expressed as a percentage of the same base.

Despite the fact that the long-term trend of common stock prices as determined for the post-war period was tilted upward more sharply than that of industrial production, we see the spectacle of an index of common stock prices in terms of 1926, standing at about one-half of the index of industrial production. Compared with industrial production, common stock prices were at an excessive height in 1929 and in June last according to the same token had in turn over-discounted the unsatisfactory character of the industrial situation.

By the method of least squares, the long term or secular trend of the index of common stock prices was equivalent to a monthly increase of 0.52 points. The careful purchaser of common stock at the present time stands to be favored by the cyclical recovery as well as by the secular trend which in the last 13 years amounted to about one-half of a point per month in the general index. The monthly increase in the index of industrial production determined in a similar manner was 0.38 points.

Large Market Gain

Popular interest in the stock market has again been aroused by the spectacular advance since the first of June. The weekly index of 122 stocks was 48.8 in the week ended July 28 compared with 38.6 in the week of June 2, a gain of 10.2 points or 26.5 per cent. The natural question arises whether this is the beginning of a genuine bull market marking the turning point in business conditions.

In view of the close correlation between common stock prices and industrial production, a study of their current movement will be a valuable aid in forecasting the future of the speculative trend. Correlation between the two indexes in question during the post-war period has been approximately 90 per cent of perfect, represented by a coefficient of 0.906 when 1.00 represents perfect correlation. When the two factors are compared month by month in this way a very close correlation is disclosed. An upward movement in the one is liable to coincide with an upward movement of the other. When common stocks are given a lead of three months the coefficient drops to 0.845 showing that in Canada, during the last 13 years in any case, common stock prices did not tend to anticipate industrial conditions despite the general impression to the contrary.

Stock Prices Lead

According to Frederick C. Mills in Statistical Methods the best correlation between indexes of stock prices and general business activities from 1903 to 1914 in the United States was shown when common stocks were given a lead of 4 to 6 months. For the post-war period 1919 to 1923, the best correlation was shown when stocks were leading by three months, the coefficient in the latter case being 0.88.

The evidence tends to prove that unless a substantial gain is shown within a few months in industrial operations the present advance in stock prices will be temporary only, but that if general business responds with greater activity within a reasonable time the turning point toward better times is already in sight.

Business Briefs

B. C. Lumbering—A total of 321 mills reporting to the West Coast Lumbermen's Association for the week ended July 9 operated at 15.7 per cent of capacity, as compared with 17.7 per cent of capacity for the previous week and 32.3 per cent for the same week last year. During the week 212 of these plants were reported as down and 109 as operating.

Crude Petroleum imported in June amounted to 113,948,000 gallons, compared with 109,518,000 in May and 117,341,000 in June, 1931. The June importations came from: United States 82,295,000 gallons, Peru 15,875,000, Colombia 8,152,000, and Venezuela 7,624,000. There was none from Trinidad.

Car Loadings for the week ended July 30 amounted to 36,548 cars, or only 229 less than for the week previous. Loadings were fewer by 10,344 cars than a year ago. After adjusting for seasonal variations the index number rose from 60.44 to 61.13 however. Light loadings in the east accounted for the decline, lower grain loadings in the west being offset by increases in merchandise and miscellaneous.

Wheat Stocks are again reported lower for the week ended July 29, the amount in store being 121,469,701 bushels, a decrease of 8,076.166 bu. from the previous week. For the corresponding week of 1931, 110,731,356 bus. were reported in store.

Wheat Clearances for the week ended July 29, 1932, were higher than for the previous week or the corresponding week of 1931. Of the total exports of 4,871,251 bu., Montreal cleared 1,543,416 bu., Vancouver 1,865,571 bu., Sorel 927,264 bu. and United States ports 535,000 bu.

Register of British Manufacturers

Federation of British Industries has issued its twelfth annual edition of the Register of British Manufacturers.

The volume comprises some 675 pages and is arranged in six sections so that manufacturers are grouped under products and services, under addresses, under trade associations, under brands and trade names.

The book is an invaluable reference source for those interested in British industries and should be particularly valuable at the present time, with the prospects for increased trade with Great Britain looming as a result of Imperial Conference deliberations. The Register is edited by E. A. Nash and can be obtained from the head office of the British Federation, 21 Tothill Street, Westminster, London, S.W.1.

June Advance In Retail Sales First Since '28

For the first time in four years the June index of the value of retail sales is higher than May, according to statistics compiled by the Dominion Bureau of Statistics. The combined index rose from 92.1 to 93.1, the latter figure comparing with 136.1 in 1929, 114.1 in 1930 and 107.5 in 1931. The higher indices for these years as compared with 1932 are due in the main to higher price levels, there being no correction made in these indices for seasonal influences or price changes.

Boots and shoes are largely responsible for the advance being 107.5 in June as compared with 88.2 the previous month. Clothing sales also rose, the comparative figures being 94.8 in May and 114.5 in June, as did drugs which rose from 79.3 to 84.4.

Candy sales lead the decreases, dropping from 75.3 to 63.7, followed by hardware which fell from 120.1 to 109.5 and furniture which fell from 52.9 to 45.5. Other groups which decreased were dyers and cleaners, 119.6 to 119.2; general and departmental, 103.9 to 102.3; groceries and meats, 85.7 to 83.6 and restaurants, 64.5 to 62.6.

FORM DAIRY GROUP TO MARKET PRODUCE

Empire Dairies Performs This Service in South Africa, N. Z. and Australia

Canadian co-operative creameries are being invited to have their produce handled by an Empire organization, known as Empire Dairies, which is already handling produce in the world markets for New Zealand, Australia and South Africa. The aim of this organization is to unite in Canada, as already done in other Dominions, co-operative creameries in a federation of federations, with a view to their applying for a shareholding in Empire Dairies, which enables them to get their produce handled at cost price by virtue of a rebate between the ordinary commissions and estimated selling costs.

It is stated that, in the meantime, the organization of this federation may not be practicable but Empire Dairies proposes to get as many as possible of the Canadian co-operative creameries to market their produce through it, the question of shareholding to lie over until a later period.

Empire Dairies is reported to have a present turnover of over three and a half million sterling annually. The Canadian representative is Andrey L. Freebairn, 485 McGill Street, Montreal.

TOURIST BUSINESS IS DISAPPOINTING IN PAST MONTH

But Steamship Travel is Proving Very Popular

July proved a disappointing month in the tourist business in Canada, according to information obtained by The Financial Post. This applies to the most valuable branch of "tourism" namely the movement of visitors by automobile across the border from the United States.

On the other hand ocean passenger traffic was surprisingly good according to officials of leading steamship lines. This applies both to east and westbound traffic. The "boom" in ocean steamship travel coincided largely with the substantial reduction in rates announced by leading steamship companies early in the summer with the result that business which had started out very poorly took a substantial upturn toward the latter part of May and has kept up surprisingly well until the last week or so. Even now it is at a fairly good level, The Financial Post understands.

A feature of the increased steamship traffic is the number of tourist and third class travellers. A very large number of people are coming out to Canada through the aid of friends or relatives here remitting the funds to purchase tickets and thus enabling those who from lack of funds might otherwise be debarred to come to this country.

As to automobile traffic, recent data is none too encouraging. Reports from such widely scattered places as Peterborough, Sherbrooke, Vancouver, Fort William and smaller Ontario points indicate an unusually quiet July in this regard.

The following reports from Vancouver and Fort William are typical:

Vancouver—Tourist travel shows a decided decline notwithstanding the fact that the publicity bureau has received more enquiries this year than ever before, but the lack of visitors may be due largely to weather conditions. Registered entries at the nearby customs ports during the first six months of the year were 38,780 cars and 127,619 passengers, a drop of 7,064 cars and 29,234 passengers as compared with the preceding year.

Fort William—The Tourist traffic to date has proved disappointing and it is noticeable that very small sums of American currency are being brought in and expended at the lake head this year.

Much Variation Seen in Fruit Crop Prospects

There is considerable variation in the production and prospects for fruit production throughout Canada. In general the production in the Maritime provinces will be lower in 1932 than in 1931, the cool spring with local frosts reducing the possibilities of harvest. In Quebec fruit production will be slightly lower than last year due to cool spring temperatures and subsequent lack of rainfall.

In Ontario the outlook for production varies. Raspberry and strawberry production was less than last year and a greatly reduced apple crop compared with last year is in prospect. Cherries, peaches, pears and grapes on the other hand will probably yield better than last year in Ontario. The season has been favorable in British Columbia and apples and cherries will probably yield better than last year.

Grain Trade Report, 1931

The Grain Trade report for the crop year ended July 31 and to the close of navigation 1931 has just been issued by the agricultural branch of the Dominion Bureau of Statistics and consists of 196 pages with 6 maps and charts. The volume has been thoroughly revised to include all movements of grain covering the above period.

The first part of the report brings into review the production, inspection and handlings of grain at country, interior terminal, public, semi-public and private terminal also mill elevators in the Western inspection division (comprising Fort William and Port Arthur and all territory west thereof) and at the Eastern elevators. Handlings of United States grain as well as Argentine and South African corn are shown in the Eastern elevators. Canadian grain in United States is also shown. Records of grain prices at representative markets and increase changes are given.

Revised tables have been added of rail freight rates from representative western points to the head of the lakes and Pacific ports: lake and rail rates to Eastern Canadian ports on both domestic and export basis are also included.

Canadian Business Indicators

Compiled by The Financial Post

	Weekly Latest 1932	1931	Cumulative Jan. 1 to date 1932	1931
Transportation—				
Car loadings (July 30)	36,548	45,995	1,225,160	1,489,829
C.P.R. gross earn. (July 31)	$ 3,012,000	$ 3,926,000	$ 67,309,000	$ 84,173,000
C.N.R. gross earn. (July 31)	$ 3,591,914	$ 4,938,282	$ 81,790,275	$ 103,083,219
	Monthly			
C.P.R. net earn. (June)	$ 1,578,616	$ 1,919,823	$ 5,251,879	$ 6,806,359
C.N.R. net earn. (June)	$ 1,227,857	$ ‡105,005	$ 2,408,674	$ 1,329,035
Iron and Steel—				
Pig iron, tons (June)	8,163	55,822	77,201	299,222
Steel, tons (June)	18,118	55,605	180,488	461,877
Automobiles prod. No. (June)	7,112	6,835	39,669	66,085
" exports No. (June)	802	1,084	3,119	10,451
Construction—				
Building Permits (June) ...	$ 4,886,349	$ 8,593,958	$ 22,577,148	$ 58,950,508
Contracts (July)	$ 12,540,100	$ 28,054,700	$ 87,301,000	$ 190,992,300
Newsprint—				
Production, tons (June) ..	161,368	193,971	1,004,248	1,138,821
Exports, tons (June)	155,895	189,738	933,446	1,025,672
Sugar—				
Imports, raw, lbs. (May) ...	98,571,500	144,866,300	268,411,800	307,303,400
Melt. & ship., lbs.	75,005,015	72,933,181	§282,554,851	324,727,425
Manufactured, lbs.*	73,721,634	69,359,926	§273,800,533	311,551,974
Flour—				
Production, bbls. (May)	1,040,693	1,183,280	4,781,163	5,527,658
Wheat flour exp., bbls. (June)	570,861	490,294	2,372,226	2,665,258
Other Industrial Indices—				
Lumbering: Plank & board exports mill ft. (June)..	110.68	86.85	408.07	459.38
Boots & shoes, pr. (May) ...	1,656,088	1,740,792	7,570,893	7,402,528
Petroleum, imp. crude, gal. (June)	118,948,377	117,341,108	450,979,966	464,322,016
Cotton, imp., raw, lbs. (June)	4,487,000	5,269,000	46,994,000	46,207,000
Rubber, raw, imp., lbs. (June)	6,349,034	4,730,546	26,671,926	30,415,037
Coal, imports, tons (June) ..	958,742	1,198,335	4,390,878	5,365,746
Gasoline sales, gals., (Mar.)	27,663,888	....	81,787,845	....
Trade—				
Imports (June)	$ 40,743,105	$ 52,508,534	$ 242,047,511	$ 353,898,594
Exports (June)	$ 40,345,490	$ 54,348,421	$ 223,062,711	$ 291,655,503
Wheat exports, bus. (June)	15,857,427	20,783,219	68,206,072	87,886,709
Labor—				
Employment Index (July)..	88.7	103.8	......	......
Electric Power—Output—				
M. Kilowatt hours (May) ...	1,273,519	1,365,786	6,747,850	7,022,142
Finance—				
Failures, No. (May)	204	163	1,061	944
Failures, Liabilities (May) ...	$ 3,148,067	$ 2,970,416	$ 17,427,169	$ 17,996,421
Bank Debits† (June)	$ 2,202,800	$ 2,693,500	$ 12,536,824	$ 16,425,106
Bond sales (June)	$ 20,565,444	$ 52,235,397	$ 161,246.484	$ 326,403,511
Insurance sales (June)	$ 40,963,000	$ 46,227,000	$ 218,533,000	$ 261,502,000
Automobile Financing:				
Used cars (June)	$ 1,682,708	$ 2,473,723	$ 7,458,517	$ 12,609,169
New cars (June)	$ 1,771,649	$ 2,444,721	$ 7,823,841	$ 12,981,053

*Four weeks' period, May 28 to June 18. §Jan. 1 to June 18.
†(000's omitted).
†(000's omitted), ‡Deficit.

National Steel Car
Corporation Limited

Builders of Passenger Cars—Freight Cars—Street Cars—Air Dump and Industrial Cars of all descriptions. Automobile Chassis Frames, Woodwork and Parts—Steel Pressings—Forgings—Drop Forgings.

HAMILTON, ONTARIO, CANADA
621 St. James Street, MONTREAL, QUE.

THE
WABASSO COTTON COMPANY
LIMITED
and Subsidiary Companies

ANNUAL REPORT 1932

BOARD OF DIRECTORS:

C. R. WHITEHEAD, President and General Manager
JAMES W. PYKE, Vice-President
HUGH MACKAY, K.C. R. N. BALL WM. I. GEAR
WM. HARTY W. G. E. AIRD
W. J. WHITEHEAD

Directors' Report to the Shareholders

GENTLEMEN:—

Your Directors herewith submit Consolidated Balance Sheet as at 2nd July, 1932, together with Consolidated Profit and Loss Account for the year ended that date.

The result of the year's operations is fully set forth in the appended Consolidated Profit and Loss Account, from which it will be observed that, after making provision for all charges, including Bond Interest, Sinking Fund and Bond Discount, and making allowance for depreciation of Property and Plant, there is a net loss of $283,705.13. This amount has been deducted from Surplus which brings the balance to be carried forward to $103,157.21.

In submitting this report, your Directors regret that the operations of your Company have resulted in a loss for the year. This loss has been largely brought about by keen foreign competition and the downward trend of selling prices and by the continued business depression.

Your properties are modern in every respect, and have been well maintained. During the year, there has been expended on Capital Account a sum of $187,785.87, principally for the purchase of machinery. It is anticipated that this additional equipment will enable your Companies to further increase output.

Your Directors wish to record their great appreciation of the co-operation, hard work and loyalty of the Officers, Staff and Employees during a very hard and trying year.

Respectfully submitted on behalf of the Directors.

(Signed) C. R. WHITEHEAD,
President.

CONSOLIDATED BALANCE SHEET

As at 2nd July, 1932

ASSETS

Current Assets:—			
Cash on Hand and in Bank		$ 25,988.60	
Accounts Receivable, less Reserve for Bad and Doubtful Accounts		375,133.83	
Inventory of Raw Cotton, Partly Manufactured and Manufactured Stock, Supplies, etc.		1,301,800.10	
			$1,702,922.53
Cash in Hands of Trustee for Bondholders			3,157.37
Property:—			
Real Estate, Buildings, Plant, Machinery, etc.			9,607,331.53
Investments:—			
Investment of Subsidiary in The Wabasso Cotton Company Limited, Stock at Cost	$594,053.02		
Bonds of The Wabasso Cotton Company, Limited, at Cost	32,616.78		
Bonds of Subsidiary Companies at Cost	3,044.32		
Sundry Investments at Cost	70,181.18		
		699,895.30	
Pledged as Collateral Security for $750,000.00 20-Year 7% Collateral Trust Gold Bonds: 12,500 shares of $100.00 each of St. Maurice Valley Cotton Mills Limited, Common Stock, being the whole issue.			
Bonds of St. Maurice Valley Cotton Mills, Limited, at Cost	......	722,619.00	
			1,422,514.80
Deferred Charges:—			
Bond Discount, Unexpired Insurance, etc			262,378.33
			$12,998,304.76

LIABILITIES

Current Liabilities:—			
Accounts and Bills Payable		$ 233,865.74	
Bank Loans secured under Section 88 of Bank Act.		350,000.00	
Operating Expenses, Accrued Wages, etc		75,716.69	
Bond Interest Accrued		24,679.16	
			684,261.59
Deferred Liabilities for Machinery Purchases			51,945.98
Bonds:—			
First Mortgage 6% Bonds of The Wabasso Cotton Company, Limited due 1st June, 1947:— Authorized and Issued	$1,000,000.00		
Less: Bonds Redeemed .$220,000.00 Held in Treasury 19,000.00	239,000.00		
		761,000.00	
Mortgage and Collateral Trust Sinking Fund 7% Bonds of The Wabasso Cotton Company, Limited, due 1st May, 1942:— Authorized and Issued	750,000.00		
Less: Bonds Redeemed for Sinking Fund	210,000.00	540,000.00	
First Mortgage 6% Bonds of St. Maurice Valley Cotton Mills, Limited, due 1st June, 1952:— Authorized and Issued	2,500,000.00		
Less: Bonds Redeemed	582,700.00	1,917,300.00	
First Mortgage 6% Bonds of The Shawinigan Cotton Company, Limited, due 1st December, 1949:— Authorized	2,500,000.00		
Issued	1,166,000.00		
Less: Bonds Redeemed	393,000.00	773,000.00	
			3,991,300.00
Twenty-Year 6% Debentures of The Shawinigan Cotton Company, Limited, due 1936, to be used for collateral purposes only	200,000.00		
Reserve for Mortgage and Collateral Trust Bond Sinking Fund			304,241.03
Reserve for Depreciation			3,071,158.95
Capital Stock:—			
Authorized: 105,000 shares of No Par Value. Issued: 69,903 shares Fully paid			4,192,240.00
Consolidated Surplus:—			
General Reserve		500,000.00	
Profit and Loss Account, as per Statement attached		103,157.21	603,157.21
Contingent Liability			
For Bills Receivable under Discount	$46,364.00		
			$12,998,304.76

C. R. WHITEHEAD
JAS. W. PYKE } Directors

Montreal, 27th July, 1932.

Verified, as per our report of this date.
RIDDELL, STEAD, GRAHAM & HUTCHISON, Auditors.

CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the Year Ended 2nd July, 1932

Profit for the year ended 2nd July, 1932, after deducting all Manufacturing and other Charges and Expenses, but before providing for Depreciation, Bond Interest, Sinking Fund and Bond Discount, and including Reserve of $136,595.47 not required and retransferred		$174,616.72
Interest on Investments		63,846.55
		$238,463.27
Depreciation on Property and Plant	$231,500.00	
Bond Interest	250,594.30	
Sinking Fund	27,355.00	
Bond Discount	12,719.10	522,168.40
Net Loss for the Year		$283,705.13
Balance at credit 27th June, 1931, after absorbing Subsidiary Company Loss		386,862.34
Balance at Credit carried to Balance Sheet		$103,157.21

Verified:—
RIDDELL, STEAD, GRAHAM & HUTCHISON, C.A.,
Auditors.

NOTICES

Township of East Whitby

$85,000 Debentures

Sealed tenders marked "Tender for $85,000 debentures" will be received by the Clerk of the Township of East Whitby at Columbus, Ontario, until one P.M. (Daylight Saving Time) on Tuesday, the 16th day of August, 1932, for the purchase of $85,000 Township of East Whitby ten-year instalment debentures bearing interest at 6%. The lowest or any tender will not necessarily be accepted. Full particulars may be obtained from G. D. Conant, Oshawa, Township Solicitor, or

P. G. PURVES,
Township Clerk,
Columbus, Ont.

To the Holders of the Twenty-Year 5½% First (Closed) Mortgage Sinking Fund Gold Bonds Due July 1st, 1950, of Ontario Power Service Corporation, Limited:

The Hydro-Electric Power Commission of Ontario (herein called "the Commission") hereby offers, subject to the terms hereof, to acquire the outstanding bonds of Ontario Power Service Corporation Limited consisting of bonds of the face value of $20,000,000 by exchanging for the same twenty-year debentures of the Commission, (payment of which as to both principal and interest will be guaranteed by the Province of Ontario), on the basis of $90 of such debentures for each $100 of bonds of Ontario Power Service Corporation Limited. Any holder of bonds of Ontario Power Service Corporation Limited who wishes to accept this offer may do so by signing a formal acceptance and power of attorney and delivering such acceptance and power of attorney to Montreal Trust Company, (herein called "the Trust Company"), at any of its offices, 61 Yonge Street, Toronto; 511 Place d'Armes, Montreal; Royal Bank Chambers, Halifax; 218 Portage Ave., Winnipeg; 210 McLeod Building, Edmonton; and Royal Bank Building, Vancouver; and 6, Lothbury, London, E.C.2, England, or at the Agency of the Royal Bank of Canada, 68 William Street, New York, N.Y., on or before 1st October, 1932, together with his or her bonds, and in the case of coupon bonds with the coupons maturing 1st July, 1932, and all subsequently maturing coupons attached. Such acceptance and power of attorney must be in such form as the Trust Company may decide. Forms of acceptance and power of attorney may be obtained from such Trust Company.

As each bondholder deposits his bonds with the Trust Company a negotiable certificate of deposit, in such form as the Trust Company may decide, will be issued. On this offer becoming binding on the Commission according to the terms hereof such certificates of deposit shall be exchangeable for debentures of the Commission, when such debentures are ready for delivery, notice of which will be given by post to the registered holders of the certificates of deposit.

If by the first day of October, 1932, or by such later date to which the time to deposit is extended as hereinafter provided the holders of 90 per cent. in amount of the issued bonds of Ontario Power Service Corporation Limited shall have accepted this offer and deposited their bonds as aforesaid, then the Commission shall be bound to purchase the bonds so deposited on the terms set forth in this offer. If, however, by the said first day of October, 1932, or by such later date to which the time to deposit is extended the holders of 90 per cent. in amount of such issued bonds shall not have accepted this offer and deposited their bonds as aforesaid, then the Commission may, by giving written notice to that effect to the Trust Company, declare this offer to be void, and in that event the registered holders of certificates of deposit will be notified and the appropriate amount of bonds will be delivered to the holders of the certificates of deposit or to the duly authorized transferees thereof upon surrender of such certificates. The Commission by written notice to the Trust Company, if it so elects may extend the time for deposit of such bonds from time to time. At any time, however, either on or before the first day of October, 1932, or on or before such later date to which the time to deposit may have been extended the Commission may, by written notice to the Trust Company, elect to purchase on the basis above mentioned all of the bonds so deposited whether or not the holders of 90 per cent. in amount of such issued bonds shall have accepted this offer and deposited their bonds as aforesaid. All bonds deposited shall be held by the Trust Company subject to the terms of this offer until said offer becomes by its terms binding or void.

The debentures to be issued by the Commission shall be in denominations of $50, $100, $500 and $1,000, shall be dated 1st October, 1932, shall mature on 1st October, 1952, may be registered as to principal only, shall bear interest from 1st October, 1932, payable half-yearly at the rate of 3½% per annum up to and including the first day of October, 1937, at the rate of 4% per annum thereafter up to and including the first day of October, 1942, and thereafter until maturity at the rate of 5% per annum, and shall be payable as to both principal and interest in lawful money of the Dominion of Canada at the principal offices of The Bank of Montreal in Toronto, Montreal, Winnipeg, Regina, Calgary, Vancouver, Halifax and Saint John, shall be redeemable at the option of the Commission on any interest payment date at par and accrued interest and shall be otherwise in such form in all respects as the Commission may decide.

Dated this 5th day of August, 1932.

THE HYDRO-ELECTRIC POWER
COMMISSION OF ONTARIO,
190 University Avenue, Toronto,
J. R. COOKE,
Chairman.

It is expected that the forms of acceptance, power of attorney and the certificates of deposit will be available at the offices of the depositaries about 15th August, 1932.

DIVIDEND NOTICES

THE BANK OF TORONTO

Dividend No. 204

Notice is hereby given that a Dividend of Two and one-half per cent. upon the Paid-up Capital stock of this Bank has been declared for the current quarter, and the same will be payable at the Bank and its Branches on and after the first day of September next, to shareholders of record on August fifteenth, 1932.

By Order of the Board.

H. B. Henwood,
General Manager

Toronto, July 20th, 1932.

DIVIDEND NOTICES

Nova Scotia Light & Power Company, Limited

Preference Dividend No. 17

Notice is hereby given that a dividend of one and one-half per cent (1½%) for the quarter ending August 31st, 1932, has been declared upon the 6% Cumulative Preference Stock of the Company, payable September 1st, 1932, to shareholders of record at the close of business August 16th, 1932.

By Order of the Board,

C. J. HAYES,
Secretary.

Halifax, N.S., August 1st, 1932.

CANADIAN SILK PRODUCTS CORPORATION

Dividend Notice No. 11

Notice is hereby given that a dividend of Thirty-Seven and One-Half Cents (37½ Cents) per share has been declared on Class "A" shares of no par value, of this company, payable August 31st, 1932, to shareholders of record at the close of business August 15th, 1932, for the quarter ending August 31st, 1932.

By order of the Board of Directors.

A. A. MUNSTER,
Secretary.

The Canadian Bank of Commerce

Dividend No. 182

Notice is hereby given that a dividend of Two and one-half per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 31st August, 1932, and that the same will be payable at the Bank and its Branches on and after Thursday, 1st September next, to shareholders of record at the close of business on the 31st day of July, 1932. The Transfer Books will not be closed.

By Order of the Board,

S. H. LOGAN
General Manager.

Toronto, 22nd July, 1932.

BANK OF MONTREAL

Established 1817

DIVIDEND No. 277

NOTICE is hereby given that a DIVIDEND of TWO AND ONE-HALF per cent., upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after THURSDAY, the FIRST day of SEPTEMBER next, to Shareholders of record at close of business on 30th July, 1932.

By Order of the Board,

W. A. BOG, General Manager
JACKSON DODDS, General Manager

Montreal, 19th July, 1932.

Canadian Pacific Railway Company

Dividend Notice

At a meeting of the Board of Directors held today a dividend of Two per cent. on the Preference Stock for the half-year ended June 30, 1932, was declared payable on October 1, 1932, to Shareholders of record at three p.m. on September 1, 1932.

In view of the continued sharp decline both in rail gross earnings and in income from subsidiary undertakings and investments, and the uncertainty as to the time when the 1932 grain crop will be marketed, the Directors have decided to defer consideration of the dividend on Ordinary Capital Stock until the full year's earnings are known.

In the meantime the policy of retrenchment initiated in 1929 is being continued and extended as far as it can be extended consistently with the maintenance of the properties in a high state of efficiency.

By order of the Board,

Ernest Alexander,
Secretary.

Montreal, August 8, 1932.

Imperial Oil Limited

DIVIDEND

Notice to Shareholders and the Holders of Share Warrants

Notice is hereby given that a dividend of twelve and one-half cents (12½c) per share, in Canadian funds, has been declared by the Directors of the Company and that the same will be payable in respect of shares specified in any share warrant of the Company of the 1929 issue within three days after the Coupon Serial Number THIRTY FOUR (34) of such share warrant has been presented and delivered to ANY BRANCH OF:

THE ROYAL BANK OF CANADA

such presentation and delivery to be made on or after the 1st day of September, 1932.

Payment to Shareholders of record at the close of business on the 15th day of August, 1932, (and whose shares are represented by share certificates of the 1929 issue) will be made on or after the 1st day of September, 1932.

The books of the Company for the transfer of shares will be closed from the close of business on the 15th day of August, 1932, to the close of business on the 31st day of August, 1932.

BY ORDER OF THE BOARD

F. E. Holbrook,
Secretary.

56 Church Street,
Toronto, Ontario.

June Footwear Output Drops 6 p.c. Below May

Production of leather footwear in Canada in the six months ended June amounted to 9,129,585 pairs, or an average per month of 1,521,597 pairs, which totals are slightly larger than the total of 8,978,977 pairs and average of 1,496,496 pairs in the first six months of 1931.

June is always a slack month in the footwear industry, the total for that month in 1932 at 1,559,192 pairs being 6 per cent less than in the previous month. The June total was also 1 per cent less than in the same month of 1931.

Footwear for women are the largest item in the June total, a total of 746,658 pairs, or 48 per cent of the total output, being this type of shoe.

The Financial Post Answers Your Questions Without Charge

As a subscriber to The Financial Post you are entitled to ask questions regarding any investment that you are interested in.

Address your enquiry to The Investment Department when sending in your subscription.

USE THIS COUPON

THE FINANCIAL POST,
153 University Ave.,
Toronto.

Please send me The Financial Post for the next year (52 issues). I enclose $5.00.

Name ....

Occupation ....

Address 89

GRAIN GROWER LAST TO GAIN IN PREFERENCE

Both Sides of Debate Seem to Agree on That

TRADE NOT MILITANT

Western Grain Companies, While Skeptical of British Preference, Are Not Fighting It Hard

From Our Own Correspondent

OTTAWA.—In seeking trade concessions from Great Britain, the Canadian government places second in importance to an embargo against Russia the matter of a tariff preference on wheat.

Premier Bennett has asked the British delegation at the Imperial Economic Conference to give such a preference, suggesting that a tariff of 5 cents per bushel against foreign wheat and 2½ cents per bushel against Empire wheat would prove most welcome. This would give the British farmers a net protection of 2½ cents, leaving the Canadian and other Dominions' growers a like protection against Argentine, Russia, the United States and other wheat exporters.

Trade Is Still Opposed

While Mr. Bennett has been very frank in asking for a wheat preference, in telling the general public he has done so, it still remains the curious fact, previously reported in The Financial Post, that the grain trade not only of Canada but other parts of the Empire is unable to agree upon the desirability or otherwise of a preference. The Canadian grain trade as a whole is opposed either to a tariff preference or to a quota, though there is nothing militant in their attitude. Some of the most important individual members of the trade—of whom James A. Richardson and James R. Murray are examples—are favorable to a tariff preference. It has been represented in recent weeks that the western grain trade is prepared to "fight" against a preference, but this is quite untrue.

If the Conference results in the adoption of a tariff preference—and the chances are distinctly favorable—the western grain trade will make every effort to make it a success. As a matter of opinion, however, the bulk of the trade would prefer to see the British wheat market left free.

No Help to Farmer

It is so long since Great Britain has had a tariff on wheat and the wheat trade of the world has so changed and altered in the interval, that the actual effect that a preference would have not only in the British but in world markets is a matter of opinion. And, quite naturally, opinions differ. Those who believe a preference would assist the sale of Empire wheat are in favor of it; those who believe the opposite are against.

On one point, however, all are agreed—the adoption of a preference on wheat could not confer any direct benefit upon the farmers of western Canada. It is as well to bear this point in mind to avoid disillusionment in the future. The farmers of the west should know at the outset that a preference in the British market cannot add one cent per bushel to the price they will receive for their wheat. But it might well benefit Canada as a whole, and the farmers indirectly.

The business of marketing wheat is so complex and involved, and possible effects that a preference might have are so numerous and obscure that any detailed examination of the arguments for and against is impossible. A rough outline of the two sides to the question, however, will be of interest.

Argument for Preference

In support of the preference, it is argued that it would cause British millers to use more Canadian wheat. A tariff advantage of 2½ cents, it is believed, would enable Canadian exporters to shade the prices of foreign countries. In this way they would not reap the entire benefit of the tariff but would obtain the greater part of it. In addition they would increase their sales to Britain. It is granted that in selling more wheat to Britain Canada would be displacing foreign wheat which she would encounter on the continent and in other non-British markets. But since Canada would have, relatively, less to sell in these markets, she could afford to take a bump or two and still be ahead of the game on total export trade.

Other Side of Debate

Those who oppose the preference hold entirely different views on the manner in which it would work out. They believe that foreign countries would not tamely submit to the loss of the British market but would promptly undersell any moderate preference in order to retain it. In under-selling the British market, these foreign exporters, it is believed, would lower world prices and this process would then proceed in a vicious circle until wheat prices had been hammered down to a point where production was curtailed and the world wheat surplus consumed.

Their argument can best be explained by applying it to actual trade conditions. Presume the present world prict of wheat was $1 and that Britain had a tariff of 5 cents per bushel against foreign countries and 2½ cents per bushel against the Dominions. The price that the Dominions might expect to get for their wheat would be $1.02½ per bushel. But Argentine, Russia and other exporters would promptly quote their wheat at 97½ cents per bushel in order to compete in the British market. At the same time they would be selling in other world markets and rather than discriminate against other customers would quote a uniform price. This, it is held, would gradually drop the world price to 97½ cents per bushel, and upon this lower world level the British tariff would apply. Once more the foreign exporters would cut, this time to 95 cents per bushel, and so the vicious circle would proceed.

Price Differential

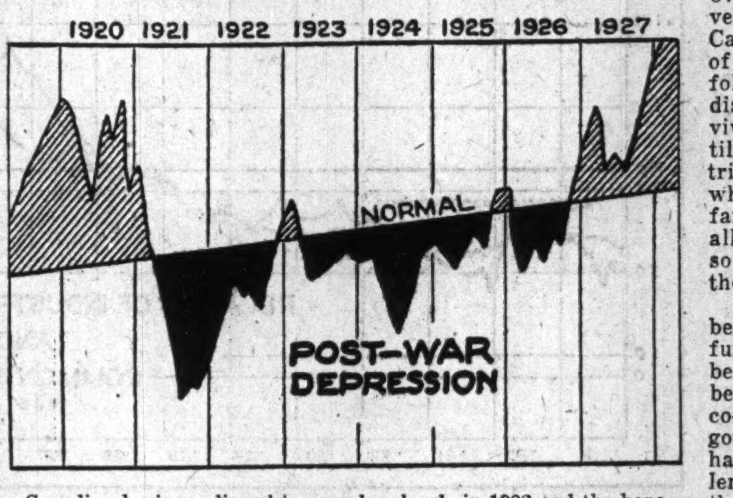
In making this illustration a common price has been assumed. It is understood that prices of wheat vary widely according to quality and to country of origin. Canadian spring wheat, being superlatively strong, always carries a higher price than Argentine wheat.

About the only way to prove which theory is right is to adopt a preference and see how it works out. Other factors, no doubt, would soon become apparent. For example it was believed, until recently, that a British wheat tariff would change the world market for wheat, sending it from Liverpool probably to Rotterdam or some other free port. But British grain men, while opposed to a preference, believe they can operate it without compromising Liverpool's position of supremacy.

Who Gets Preference?

On one other point explanation probably is in order. That is in regard to the position of the prairie farmer. Whoever else may benefit from a preference, he can not do so directly. The reason is obvious. The British market for wheat runs to 220,000,000 bushels per year, of which Canada usually supplies about 95,000,000 bushels. A preference might step Canada's exports up to 120,000,000 bushels. This would still leave Canada with more than half her exportable surplus to sell elsewhere. Obviously, therefore, no one could say which bushel of wheat is to get the British preference and which is not. The farmer loses all identity with his wheat at Fort William, if not before, and the decision as to whether a given parcel of wheat should be sold in Britain or elsewhere would not be made until the grain had passed that point.

Canada Comes Through - - 1922



Canadian business dipped to very low levels in 1922 and the hope and spirit of the Canadian people dipped even lower. But the country came through notably to go on to its greatest period of business consolidation and expansion. The chart is part of the long term chart of Canadian business prepared by The Financial Post for the Year Book of Canadian Business, 1867-1931.

THERE is no adult in Canada who forgets the distressing times shortly after the Great War when economic depression fell heavily upon a battle-weary world. In Canada the "Whisper of Death" was heard and many thousands of our best young men and women believed its sorry cry that there was no future in Canada. We are not out of the post-war troubles yet but between the 1921-1924 depression and the present time we have managed to enjoy the most productive period of expansion in our country's history.

World troubles came thick and fast in that last great depression.

In Great Britain the war activity collapsed in 1920 and money tightened sharply. Stocks fell rapidly; unemployment became severe; the coal strike thickened the gloom; commodity prices began to fall. During 1921 the price collapse continued unabated. Business stagnated as prices tumbled head long; foreign trade was shivered to bits. The depression deepened in 1923 although prices stabilized and stocks recovered. Great Britain has enjoyed no real prosperity since.

In the United States also, 1920 opened well with business going ahead under the momentum of war activity. But stagnation came when prices began to decline after the May peak. Wanamaker's announced a 20 per cent cut in all prices and got the jump on their competitors. Unprecedented cancellations were the order of the day. Money was tight and stocks fell badly; bonds too. In the midst of this situation a mistake was made that still contributes to business troubles; rail wages were increased 20 per cent.

Throughout 1921, stagnation merely deepened. Wage reductions were general and labor difficulties followed in their train as workers resisted the inevitable deflation. Stocks began to recover by the end of the year and, beginning in 1922, some gradual but steady recovery set in that was largely obscured by further wage reductions, price nervousness and labor difficulties. The big coal strike not only shut the mines but forced such plants as Ford's to close down for lack of fuel supply. A very mild touch of depression in 1924 soon was eliminated as American business and finance swung into the prosperity that was to develop into the excesses of 1928 and 1929.

When the war ended, business was dull for a while in Canada but demobilization put millions of money into circulation and 1919 and 1920 were active years with prices rising rapidly. But the tumble in prices began in May and brought the usual troubles in its wake. Factories soon began to lay off men as buyers became cautious and cancelled orders. There were general stagnation in Canada in 1921, widespread unemployment and hundreds of failures. Depreciated currencies poured from the presses of Germany, Russia and Poland and the mark particularly neared its final utter collapse. The agricultural depression was particularly severe and farmers, accustomed to war prices, were in a state of panic. Crop values fell $500,000,000 in a single year. Prices did not bottom until September 1922 and even then depression continued in Canada.

There was moderate prosperity in 1923 but the carryover of failures and insolvency of the Home Bank of Canada, with the disclosures of crooked management that followed, heightened public distrust of this economic. Revival did not really come until 1925 and even then industrial improvement was spotty while the distress among the farmers made them prey to all sorts of radical and unsound schemes for lifting them by the bootstraps.

By 1926 people began to believe that Canada had a future after all and we even began to fool ourselves into believing that the so-called co-ordination of the various government-owned railways had solved our railway problems after all. Migration to the United States slackened and immigrants from Europe began to seek our shores although immigration regulations were of a nature to give them scant welcome.

Then came those hectic years of feverish prosperity when much that was of permanent value and much that was of only transient interest happened to arouse public hopes.

Now we are in the midst of another period of depression but not once through these three years of poor business has the optimism and courage of the Canadian people sunk to a point as low as that reached in 1922.

The immediate post-war depression was a pretty serious affair particularly in its effect upon the psychology of the Canadian people but Canada came through it strongly and here we are today bigger and better than ever.

LARGER ORDERS FOR CAN. WHEAT EXPECTED SOON

Present Buying is on Small Scale — Good Crop Sure

From Our Own Correspondent

WINNIPEG.—The major source of strength of the wheat market during its recent advance, which was sharply checked on Tuesday, has been the buoyant speculative sentiment in the United States. Markets in that country advanced much more rapidly than did the Winnipeg market, with the result of putting them completely out of line with export business, and leaving the current world export market almost altogether to Canada and to the Argentine. It would be highly favorable for this country's wheat except for the fact that actual world shipments continue at an extremely low level. Continental countries have been buying from hand to mouth in order to have a minimum of foreign wheat on hand when the new domestic crop is available in quantity, and in France the quota of foreign wheat has again been cut down to three per cent. But although world shipments have been at the rate of only about 8,000,000 bushels, against a weekly average of nearly 15,000,000 bushels for the crop year which ended on July 31, consumption of imported wheat has been on a decidedly higher base, as supplies of wheat on ocean passage have been reduced to very low levels. Consequently it is believed that there must shortly be more extensive buying from abroad than has lately occurred. There are strong hopes for heavy shipment of Canadian wheat during the remainder of the calendar year, with the Australian crop pretty well cleaned up, the Argentine supply not burdensome, Danubian countries presumably with too small a crop to permit export, and the likelihood of very small shipments from Russia.

At the present time British millers are using Canadian wheat more extensively than they have used it for many months. If, as is reasonably possible, a combination of optimism and government encouragement holds United States prices above world levels, Canada may well ship wheat in much greater quantity than for many months past. The Farm Board in the United States has comparatively little more wheat to sell, although it has still considerable stocks on hand which are to provide free distribution of flour. It is possible that its place as a sustainer of prices is to be taken by government loans to commercial agencies to enable them to store wheat. As a long term factor no great confidence can be placed in such a plan, nor in the disposition that is reported on the part of many farmers to hold their wheat for higher prices, but as temporary factor giving Canada a chance to get rid of considerable quantities it may be of importance.

There has been during the past few weeks continued deterioration in the prospect for the Western Canadian over large areas, and particularly in those which have suffered from drought during the past three years. Lack of subsoil moisture has made itself severely felt. But it is to be remembered that the prospect a few weeks ago gave the possibility of an extremely heavy total crop, and with all the deterioration there is still going to be a fairly large total yield. Warm weather has brought the northern Saskatchewan crop along more rapidly than was expected, and harvesting should be general in most districts well before the end of the month.

High Quality is Big Help

With a dozen or more exporting countries keenly competing for the world's wheat market Canada, during the last seven years has won for herself 37 per cent of this entire trade. The skill and experience of those who market Canadian wheat has had much to do with the attaining of this outstanding success, but the most important factor has been the high quality of the wheat itself coupled with the unequalled system of inspection, grading and certifying by the Board of Grain Commissioners which assures that the world's buyers receive precisely the quality grade of Canadian wheat they pay for.

So long as the Canadian wheat growers maintain this superior quality in their wheat and produce it economically, so long will Canada not only retain her large share of the world's market, but will be even able to expand it. It has been computed that this superior wheat quality has brought to the Canadian farmer more than 200 million dollars of a premium since Canadian wheat first appeared on the world's markets; but this extra quality and premium can easily be lost unless particular care is taken in production methods. Canadian wheat growers, because of their high intelligence, and the assistance and advice they receive from skilled technical agriculturists, can easily maintain this quality and produce it at a competitive cost if they will bend their energies continually to this end.

Soil and Climate Good

The soil and climate of the Canadian prairies are able to build the right kind of protein into Canadian wheat, which then becomes high in what is termed "milling and baking value." This quality is prized by the overseas miller who uses "strong" Hard Red Canadian wheat to blend in small quantities with inferior and cheaper wheats which by themselves alone would not make an acceptable nor palatable loaf. Only certain varieties of wheat, however, will respond to our soil and climate and produce high quality. It is important, therefore, for the Canadian wheat grower to use only recommended varieties, and furthermore, the one best suited for the soil and climate of his own district.

There are at the most only four or five spring wheats suitable for the Canadian prairies, namely — Marquis, Reward, Red Bobs 222 (or Early Triumph), Garnet and Ceres. Surveys indicate, however, that we are producing over 20 varieties, most of them of poor milling and baking value; many fields also contain mixtures of varieties. If high quality is to be maintained all these unsuitable varieties and admixtures must be eliminated and only the most suitable variety grown. This can be done and with but little expense if the necessary steps are taken.

Problems in Marketing

The marketing of this year's wheat crop, which is unofficially estimated at from 400 to 450 million bushels, will present a problem of large proportions, says the August letter of the Royal Bank of Canada. In addition to this year's crop there is a carryover of more than 100 million bushels from last year. This is a reduction from the stocks on hand in Canada a year ago, but world stocks, estimated as at July 1 by the U. S. Department of Agriculture at 640 million bushels against 656 million bushels in 1931, are heavy. Argentine and Australian supplies, as well as Canadian, are smaller than last year, but these decreases are partially offset by an increase of 40 million bushels in the United States.

Conditions in the United States have been unfavorable in the winter wheat area and the out-turn of this crop was officially estimated at 432 million bushels as at July 1, against 789 million bushels in 1931 and a five-year average of 549 million bushels. Acreages sown to spring wheat were increased over 1931 and the outlook for this crop is much better. The indicated production of all wheat is placed at 737 million bushels against 894 million bushels last year and a five-year average of 829 million bushels. Domestic requirements practically approximate the total wheat crop. Exports from the United States since 1900 have never failed to exceed 125 million bushels a year. These conditions suggest a substantial reduction in United States stocks during the coming crop year.

European Situation

Crop conditions in Western Europe have been favorable, but unfavorable in the Danube Basin. The total acreage sown to wheat is somewhat less, but for the whole of Europe harvests are expected to be about the same as last year. While wheat production in France, Germany, Spain, Belgium and Holland is estimated at 657 million bushels as compared with 580 million bushels in 1931, the crops in Roumania, Hungary, Bulgaria and Yugoslavia are unofficially placed at 245 million bushels against 364 million bushels a year ago.

Unfavorable weather has since been reported in Italy and France, but the out-turn will be large. The wheat crop in the United Kingdom is officially reported as below average. In Russia, sowings of winter wheat were larger than in 1930-31, but spring operations were beset with difficulty and the total area sown is estimated at six million acres less than last season. Production is expected to be about 1,000 million bushels. Home consumption of white bread is being encouraged and it is said that it is unlikely that Russia will be able to increase wheat exports. Shipments during the current season to July 23 have amounted to 71 million bushels as compared with 91 million bushels to the corresponding date last year.

Persisting surplus has characterized the world wheat situation during the past four years. Available supplies have continuously exceeded annual requirements, even after large diversions into lower price outlets, such as increased use as animal feed, heavier consumption in India and greater exports to China. Imports by China in 1931, amounting to 50 million bushels, were the largest on record — eight times greater than in 1930 and four times those of 1929. Canada supplied 15 per cent of China's imports, United States 18 per cent and Australia 65 per cent. The bumper wheat crop of 1928 was mainly responsible for the emergence of these huge surplus supplies.

Economic depression since 1929 has contributed to the persistence of the problem, but widespread foreign restrictions upon imports have been the major influence tending to hold down total consumption. Russian exports, the outcome of the Soviet policy, have been important during the past two years. Measures of other nations have caused contraction of consumption or restrained its expansion, stimulated home production and increased the burden of the surplus. Since the solution of the problem of wheat surplus seems to be dependent upon increased consumption rather than upon a general decrease in production, the desired balance may have to await a restoration of a more normal state of international trade.

NORTH MANITOBA STANDS HEAT BEST

D. B. S. Crop Report States Need for General Rainfall

Another week of hot dry weather has been experienced in the Prairie Provinces and rains are urgently needed over wide areas in Saskatchewan and parts of Alberta, according to the tenth weekly telegraphic crop report of the Dominion Bureau of Statistics, dated August 9. The yield in southern Saskatchewan has been seriously affected by the drought and here as elsewhere rain would only benefit coarse grains and pasture. Conditions remain from fair to good in other parts of Saskatchewan but rain would be beneficial.

Northern Manitoba promises better than average yields and balances to some extent the ravages of heat and drought in many of the southern sections of the province. The southwestern section has suffered the greatest damage.

In Alberta areas where the stand is heavy the recent hot dry weather has served to advance the grain but some damage has resulted in sections with little reserve moisture. Premature ripening is reported from some sections of the province. The Peace River district would benefit greatly from heavy rain.

Harvesting is general in Manitoba and wheat is half cut in the earlier areas. Cutting has commenced in the early fields of Saskatchewan and Alberta, but will not be general for another week or ten days. Grasshoppers continue to damage late crops in Manitoba and in local areas in Saskatchewan and Alberta.

Metal Prices

New York—August 9—
Copper: Electrolytic spot, 5⅝c.-5¾c. lb.
London—August 9—
(Long Ton)—
Copper: Electrolytic spot, £34; future, £35.
Standard spot, £30; future, £30.
Tin: Spot: £140 5s; future, £141 15s.
Lead: Spot, £10 12s 6d; future, £11 2s 6d.
Zinc: Spot, £13 2s 6d; future, £13 10s.
Silver: 17 13-16d. per ounce.

THE ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
61 Years in Business
Capital $2,000,000—Reserve Fund $3,200,000.
The Company's Debentures are a legal investment for Trust Funds which may also be deposited in the Company's Savings Department.
4% Paid on Deposits. 5½% on Debentures.
JOHN G. RICHTER, President. T. H. MAIN, Manager.

DOMINION TEXTILE CO., LIMITED
PRUE
MANUFACTURING
ALL LINES OF WHITE AND GREY COTTONS, PRINTS, SHEETINGS, SHIRTINGS, PILLOW COTTONS, LONG CLOTHS, CAMBRICS, DUCKS, BAGS, TWILLS, DRILLS, QUILTS, BUREAU COVERS, TOWELS AND TOWELLING, YARNS, BLANKETS, RUGS, TWINES, NARROW FABRICS AND NUMEROUS OTHER LINES USED BY MANUFACTURERS IN RUBBER AND OTHER TRADES.
MONTREAL TORONTO WINNIPEG VANCOUVER

The 28 Buick CARS
USED BY DELEGATES at the
IMPERIAL ECONOMIC CONFERENCE
use
WAKEFIELD
Castrol
MOTOR OIL
EXCLUSIVELY

Your Investments

Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments, will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

Automatic Vending Stocks Get Knock-Out in Canada

Failure of Principal Effort in Dominion Follows Precedent Established in United States — Tries Postage Stamps First—Switch to Chocolate Bars and Gum Fell Through

I owned a postal machine sold me by Canadian Royalties which was supposed to service it through the years for me. Later they asked us to exchange machines for stock in Automatic Merchandising Corp. of Canada on the ground that there would be a better chance if the company could deal as a whole with all kinds of automatic vending machines, and also I understand that there was some difficulty in connection with stamps. Lately I have heard that the company is in a bad way. Can you tell me the facts?

A winding up order was granted by the Supreme Court of Ontario for Automatic Merchandising Corp. of Canada, Ltd., on June 10, 1932, and Imperial Trusts Co. was appointed liquidator. A meeting of creditors and claimants is called on September 4 before the Master in Chambers at Ottawa where the liquidator will report on all claims made up to August 1, the last day for receiving them.

This liquidation is of more than ordinary interest as it marks the final failure of the most ambitious attempt in Canada to build a business on the back of automatic vending machines. In the United States most companies of the kind bit the dust after varied experiences but in Canada the company has had a somewhat longer run than their progenitors in the United States. The last year or two especially were times of stress and struggle.

Pressing Trade Liabilities

Through private sources and by sales of postal machines to the general public considerable capital was obtained throughout Canada but by September, 1929, Canadian Royalties Ltd. was faced with pressing trade liabilities. Their stock-in-trade of stamps was depleted, they were facing a rental payment to machine owners due September 15 and their books, audited as at June 30, showed a net loss of $52,078 for the previous 11 months' period. As the company was practically insolvent, Noel Morton states that he requested and obtained the resignation of A. H. Allen as president and managing director as a first step toward economy. He then enlisted the financial assistance of Geo. T. Fulford and associates by giving certain guarantees and arranged that his own firm, Barclay-Morton, should devote all the time necessary toward a reorganization and to assume the management for a nominal retainer of $1 per annum, which services were continued for Automatic Merchandising Corporation. But these measures were unsuccessful as Mr. Morton's last statement to shareholders early in 1932 shows:

Machines Became Liability

"Immediate trade liabilities were met, the quarterly September rental paid and drastic economies of management enforced, reducing the executive salary and wages list from over $300 weekly in 1929 to $176 in February, 1930. Only 1,000 machines had been located whereas the company had more than 3,000 available. By December 23, 1929, they had 2,970 located in Ontario. The market crash and the falling off in tourist traffic changed these extra machines from a source of income to a liability.

"By February, 1930, the company was convinced of the futility of carrying on with postal machines only. The quarterly rental payments were a burden beyond the capacity of the business and other machines they considered would have to be developed if the company were to survive. At reasonable cost they found they could rebuild postal machines as needed so that they could sell chocolate bars and allied merchandise. Periodic reports from their auditor showed that these machines were averaging three sales per day, and sometimes better, through the first six months of 1930. Private moneys continued to be generously supplied to carry on the paying of quarterly rentals while experiments were continued.

Tried New Company

"As the machines of Canadian Royalties Ltd. were owned widely through the country no changes could be made without securing control of the machines under a new company with broader powers. In July, 1930, Automatic Merchandising Corp. of Canada was thereby formed so that each machine owned could be traded into share units of the new company. The majority of machine owners approved of the plan, but $7,255 had to be disbursed to those retaining their machine rights during the last six months of 1930 and the first six months of 1931. At the close of 1931 out of 572 original machine owners only 25 machine owners had not converted. Private moneys to the extent of $66,131 were obtained either through the sale of shares in Canadian Royalties, Ltd., and Automatic Merchandising Corp. of Canada, or carried as unsecured loans to one of the two, to cover rentals and for initial working capital and at the end of 1931 only $5,381 was charged against the company.

"On May 1, 1931, A. M. C. of Canada virtually took over the business of Canadian Royalties, rendering the shares of the latter company valueless and obtaining all fixed and real assets, such as its warehouse at 214 John St., Toronto, in consideration of assuming trade liabilities amounting to $3,000 and in settlement of the contingent liability to Automatic Merchandising Corp. of Canada. The shareholders of Canadian Royalties voluntarily agreed to this, thereby surrendering fixed assets valued at $15,035.

Asked for More Money

"After all operating expenses had been met we had in 1931 a net profit of $5,052," said the secretary last January to shareholders. "Against that Canadian Royalties Ltd. in 1929 had an operating loss of $42,132 which, in spite of the unfavorable two years just gone, we were able to turn into a profit. As these were the worst two years experienced in Canada we feel justified in asking for a reorganization."

The company, he said, was able to present a compact organization now with an estimated total overhead of much less than $10,000 for the ensuing year, instead of the complicated structure existing in 1929. Further financial resources were necessary. Noel Morton said that he had $10,000 of cash invested out of the total $66,131, and had reached the end of his resources.

Barclay-Morton proposed to turn back into the treasury all of the common shares remaining in their hands. Shareholders were asked to purchase these at the rate of not less than one common share for each preferred and to pay $5 each for them. They calculated that $5 from shareholders for each machine originally purchased would, if every shareholder took his allotment, provide some $20,000 new capital. It was stated that machines now imported from United States are taxed 100 per cent more than they were a year earlier and that it would seem advisable to delay further purchases. They thought the warehouse at 214 John Street should be held in the hope of improvement in market value above what was possible today. Many machines no longer needed could be leased to small operators in varied sized lots, they thought. They had 280 chocolate machines rented out on a basis of 50 cents per month each, or $6 per annum, and free of all costs to the company. Other machines no longer required could be sold off. Their recommendation was that the company turn into ready cash everything for which it had no further use and in the meantime remain semi-dormant until conditions righted themselves.

Post-Office Stops Sale

In the summer of 1931 the company obtained the sole Canadian rights for a commercial stamp vending machine and got the authorization from Ottawa to operate same. It claimed these machines were well adapted to the three-cent postage conditions, which prevented the original Canadian Royalties machines from operating. The Quebec rights were sold to an independent firm and the company was about to organize Ontario on a basis "whereby about $5 profit would have accrued on each machine sold." There "appeared to be room for several thousand in Canada" when "for no stated reason we were notified on December 29 that as a matter of general policy all stamp machines were to be barred henceforth." Legal counsel had suggested that a claim for damages could be made against the post-office.

Another type of machine for post-office use only was tested and mechanically approved by the department in 1930. It is the same machine as used in the United States post-offices, but adapted to Canadian requirements. The arrangement by the company was on the basis of 15 per cent commission. The machines were to cost about $400 each and there was some $48,000 at stake. The postal deficit which led to the return to the three-cent postage no doubt delayed their considering the purchase last year. Mr. Morton thought that the negotiations should be kept open since the authorities were impressed with the usefulness of these machines and a deal would bring the company a large sum of money in commissions.

Offer Diatomite as Solace

W. G. Taylor was prepared to stay on as manager.

A letter sent to shareholders under date of January 29, 1932, by Noel Morton stated that two new directors were added to the board, these being W. A. Ferguson, manager of the Port Dover Canning Co., and George Turner of Toronto, the retiring board consisting of Noel Morton, B. K. Hill and W. G. Taylor who were re-elected. Working capital was essential as current liabilities, especially during the early part of February, had to be met in order that the company might continue. Assets were in a frozen condition and without help the company could not carry on. A sum of $6,000 had to be made immediately available, although $20,000 was needed. On April 5, the company's directors passed a resolution to go before the shareholders at a meeting on April 21, 1932, suggesting that the company be wound up as not sufficient money had been provided. So that has finally been done.

On April 26, Barclay-Morton suggested buying stock in Diatomite Products in order that shareholders might "recoup losses." Obviously, the investment in Automatic Merchandising was a total loss after all the encouraging statements made but so far Diatomite Products has not shown brilliant promise as the way out. Court cases have to be ironed out for one thing.

Offered Unmarketable Stocks

I have been asked to consider the accepting of some shares as payment on a debt that is owing to me. Naturally, I assume that the shares are very questionable or absolutely worthless, or they would not be offered to me, but there might be some of it that has some merit. I am offered 10 shares Canada Biscuit Co. Ltd., $100 shares, 7 per cent preferred; 100 shares Canadian Exploration; 100 shares Canada Insurance Shares, Ltd. These are represented as being $50 per share with 60 per cent having been paid thereon. Understand this is some company being operated by W. W. Evans, of the Canadian General Investment Trust, of Toronto, and Mr. Fess of the London & Western Trust Co., of London, Ont. Apparently these shares carry with them a liability for the uncalled portion. 5 shares St. Maurice Valley Corp. preferred.

With Canada Biscuit Company Limited bond interest in default there is no market demand at present for the 7 per cent preferred shares offered you. With the whole industry making pulp and paper in a very demoralized condition and bond interest unpaid since June, 1931, by St. Maurice Valley Corporation, the latter's shares are at present of no interest. These preferred shares can be transferred into 1½ shares of Consolidated Paper Corp. but even so potentialities cannot yet be discerned. Canada Insurance shares under present conditions have low marketability. As for Canadian Exploration our files contain no reports of activity since 1927 when the company was working on its property at Ranger Lake and doing some survey work on its holdings near Abana. There is no market for the shares.

Supertest, B. A. Oil

Would you consider Supertest Oil Co. a good investment?

Is British America Oil Co. a good investment?

Supertest Oil Co. has given a continuously good account of itself from the earnings standpoint ever since its formation some years ago. The company distributes through a well-settled area and is apparently a well managed concern. Like all other oil companies in Canada it is protected from foreign competition by an increased tariff and dumping duty. Prices have been so cut in the United States that gasoline is selling in parts of the United States almost at bankrupt prices. This may be considered a potential risk until consumption once more can compare favorably with potential production of crude oil.

British American Oil Co. has in the last two years become a fully integrated oil company, having important crude oil acreage in Texas and Oklahoma, bringing its own crude by leased oil tankers to Montreal where it has a modern refinery, and taking the balance on its freight oil tankers to Toronto. The company has maintained earnings during the depression in a remarkable manner. Its working capital was somewhat decimated last year because of the large expansion programme but it was intended this year to conserve cash earnings as much as possible to improve that situation.

St. Lawrence Waterway and Montreal

I bought 200 shares Dominion Stores at prices exceeding today's levels. There are some other points on which I solicit the favor of your opinion, as I am unable to follow events closely from Switzerland.

There is an idea that the St. Lawrence waterway scheme will injure Montreal. Do you agree with this? What would the effect be on Montreal city bonds and on Montreal Light, Heat and Power Cons. shares? In how long would the scheme be completed—at least to such an extent as to affect Montreal?

I think of buying some bonds payable in U. S. currency, e.g., Montreal, Toronto, etc. Does this mean that the principal (on repayment) as well as the interest, is payable in U. S. dollars? Are the debtors bound to pay it so?

As to the currency question, do you think Canada will decrease the value of her dollar? I have converted pounds into dollars at 4.10, thereby losing considerably. If Canada now reduces the value of her dollar I should have two heavy losses instead of one. But one reads that Canada is hard put to it to pay her debts, and that the Ottawa Conference may lead to an Empire currency involving the reduction of the Canadian dollar. What do you think of all this? Would it be well for me to transfer my investments from Canada while the dollar is still worth $4.10 to the pound or is it wiser to "hang on"?

Dominion Stores sales in 1931 amounted to $25,200,150, an increase over 1930 of $1,081,564. In the first half of 1932, however, sales have shown a decline of 8.92 per cent and profits are down 15 per cent.

Earnings available for dividends have in the last ten years been well maintained. Preferred dividends were paid up to 1926 when the A and B issues were retired and earnings and expansion have been well maintained since that period. One reason for the increasing sales in 1931 was that the number of stores operated was 552 as against 510 stores in 1930. Dropping commodity prices have naturally affected the company's profits, but its record has been excellent and its resistance to depression gives good hope for the future in spite of the drop noted in profits.

At the end of 1925 the company showed a bank loan of $265,000 for the first time. This year it is understood to be consolidating its position and to be expanding by the establishment of new stores at a much lower rate than formerly.

There is no immediate reason to fear the effects of the St. Lawrence Waterway scheme on Montreal. In the first place the agreement has to be ratified both in the United States and at Ottawa and it would be several years at the best before the seaway part of the enterprise could be finished. So far as power is concerned there may be delay which will make it about ten years before power projects would be completed as there would be no object in releasing such an immense amount of power until the market has developed sufficiently to take up at least a considerable portion of it. There is a division of opinion as to the effect of a seaway on Montreal. Many in Montreal think that it would be harmful but some good authorities are of the opinion that in the end it might be a very good thing for Montreal. With Montreal Light, Heat and Power Cons. dominating the market situation in Montreal, the fact that additional big surpluses of power will be made available might not hurt the company except by increasing competition for industries. First effect of construction activities would be to stimulate business.

Most of the bonds payable in United States dollars are payable both as to principal and interest. Each bond itself states the exact position in this regard. There have during the last year been a number of companies, whose bonds are payable in United States money, which have announced that they will pay only in Canadian currency. In such instances it is understood that the revenue had come down so far that that was the only way in which they could safely pay. The creditors could have forced payment if they had wished to take court action but in most cases they did not do so as it would have meant putting the companies under receivership or in liquidation. Canada seems to have passed the peak of her obligations payable in 1932 in United States money.

It is impossible to predict exactly what will happen to the Canadian dollar. Canadian sentiment does not favor any action which would reduce its value further or which would increase the load of paying in United States funds on provincial and municipal indebtedness. It is hoped here eventually that the Canadian dollar will be at par in United States dollars because that has always happened in the past and it is hoped that improving business in time will restore it to the old level. At the moment that is a hope rather than an assurance. With Canada becoming more important year by year in the production of gold there is a strong interest here for the maintenance of the gold standard.

You can see that a recovery in grain prices and in prices of base metals as well as in newsprint would entirely reverse the export situation for Canada and give her such a favorable trade balance that the dollar would easily go to par. But these things cannot be predicted.

Banks and Trusts

Will you please advise me as to how you consider the Toronto General Trust stock with that of the banks? At current prices Toronto General Trust brings a much better return.

Over a long term of years the earnings of the Canadian chartered banks have been more consistent and the opportunities for capital appreciation through stock rights more frequent than in the case of the trust companies, such as Toronto General Trust. These two factors in themselves are probably sufficient to explain in a general way the difference in yield between these two stocks.

Toronto General Trust is a well-established institution with excellent management and you should not be worried because there is a disparity in yield between its shares and those of an institution in a quite different field such as the Bank of Nova Scotia.

Service Stations

I wish you would give me your opinion re Service Stations A and B preferred stock.

Although Service Stations in its ten plants makes — and especially in the United States—more than service station equipment, that is still the principal product. The company has found in the last year or more that its revenue from this source has been cut considerably because of the demoralized price structure for crude oil products in the United States. This stopped almost overnight the keen demand from service stations for modern service station equipment and even the larger oil companies found it necessary drastically to curtail their purchases in this direction. This necessitated drastic economies on the part of manufacturers in order to get prices low enough again to attract buying from distributing companies.

It is not expected that there can be much improvement of value to shareholders until some of the weaker companies in the business are eliminated, until gasoline prices recover somewhat and until demand for equipment is once more on a good basis.

In the face of the present difficulties Service Station Equipment Company has a strong liquid position and is therefore able to confront these difficulties more adequately than most companies. However, although it is understood to be maintaining itself in its field quite well, an eventual recovery of interest in the A. and B. preferred stock on the old scale cannot be expected until the markets of the company show recovery.

Joint Ownership of Stock

I have certificates in my own name for a small number of shares in fifteen different Canadian companies, purchased when prices were much higher than at present. Can I have the ownership changed to include my wife by returning the certificates to the registrar of each company for this purpose? If so I suppose a charge would be made for the work involved.

You can probably have the ownership changed to include your wife by returning the certificates to the transfer company of each stock you hold. Instead of your name only, the names of your wife and yourself could be placed on this certificate and most trust companies would probably register your stock with the additional words "to either or to survivor." It is not often done but in registering under the two names there would probably be additional words which would make it plain that in case of death of one, the survivor would have the right to the stock, but stating also that the stock was not being held as "tenants in common." One reason is that trust companies are not allowed to facilitate a transfer which might seem to be intended to avoid succession duties. The American practice is even stricter in this particular and an affidavit is often required. As you state the shares are in Canadian companies, the Canadian practice would prevail, but as some trust companies prefer the American way, it would be best for you to write to the transfer company for each of your stocks and find out in each case exactly what is required and what words would be included in each certificate when placed jointly in the two names.

There would be a nominal charge by each transfer company for the service.

Canadian Celanese

We would appreciate any information re the preferred stock of Canadian Celanese, particularly any information regarding the bank loans and other liabilities.

There has been no statement issued by Canadian Celanese Ltd. in regard to its balance sheet position. We have been informed, however, that the sales and earnings of the company this year to date have been on a basis somewhat better than that reported for the corresponding period of last year.

In respect to bank loans and other current liabilities, we can only refer you to the last annual statement, which showed current liabilities at $303,418, of which notes payable amounted to $120,480 and accounts payable and accrued liabilities $182,938.

From Rubber to Vinegar

I would like your opinion about some securities. The first consideration is safety; after that the interest rate; and are they readily sold; are they all limited liability companies? The securities are Goodyear Tire preferred, Dominion Stores, Canada Vinegars.

Preferred stock of the Goodyear Tire and Rubber Co. of Canada has been paying 7 per cent dividends since 1918 except for 1921 and part of 1922. All deferred dividends were paid by 1927 and the dividend has been paid regularly since. Earnings per share from 1922 to the end of 1931 have in no case fallen below $14 a share and have been as high as $45.25 a share in 1929. They were $23.18 a share in 1931. Quarterly reports made by the president in connection with dividend payments have indicated a considerable falling off in total business in 1932 but relatively a good position has been maintained and the company has an exceedingly strong working capital position.

Dominion Stores has for more than a decade shown an increasingly favorable position and though it has felt the strain of the depression dividends have been maintained and earnings are at a good level though somewhat down thus far in 1932.

Canada Vinegar's earnings to the end of 1931 covered dividends with some margin. For example in 1930 earnings on the common stock amounted to $1.82 a share and in 1930 to $1.83 a share as dividends amounted to $1.60 a share. Working capital is strong, current assets being four times current liabilities. The company covers all Canada in its operations and is the leading manufacturer of vinegar. Barring important competition, the company's prospects appear good.

International Proprietaries

I am holding 25 shares of International Proprietaries Class A., which I bought five years ago at $40 a share. I have always received dividend in time. I have been canvassed by a few brokers lately to buy some of this stock on account of its yield at today's price.

I have no cash on hand, but am able to borrow enough from life insurance on my own life to buy 25 more shares, but before doing same I thought it best to get your advice. Now would you consider such an action sound or not? Is $26 a share a fair price?

Recently International Proprietaries class A stock was quoted $23 bid, $26 asked, by A. J. Pattison, Jr., and Company, unlisted security dealers. The company's statement for 1931 shows that it has been doing quite well and it has been able to pay its regular quarterly dividends on class A and B stock in 1932 to date as well. The annual rate, including extras, in 1931 was $2.70 a share and will be $2.60 in 1932 even if no extras are paid. Dividends on B common at the rate of $1.60 a share are also being paid. Earnings per share in "A" stock in 1931 were $4.21 a share with $2.92 the maximum amount available under participating provisions with "B" stock. Earnings were even higher in 1929 and 1930. Despite exchange losses the company's world-wide business is understood to be well maintained and profits to be sufficient for dividends in 1932 as well.

Television Stocks

I see references to television. Is this likely to be a commercial success with the near future or not? I believe stock can be obtained of a television company in the United States and also of one in England. Stock of such companies would necessarily be speculative but how far are they from doing something practical?

In a recent special survey of the radio industry, prepared by the research department of R. G. Dun and Co., the following remarks, made with regard to the progress of television, will give you an authoritative view of the present status of television, but it is too soon to say that commercial success is near:

"The transmission of a television picture and voice simultaneously from the same transmitter is the newest achievement of radio engineers. It was just a year ago that the Columbia Broadcasting System went on the air with an experimental station in New York. This was more with an eye to the future than it was that television had really arrived. Embarking on the second period of its experimental work, the company has installed new equipment and after July 21 regular broadcasting programmes of sight and sound on one wavelength will be maintained. Naturally, only the voice entertainment will be picked up by the regular listeners, but those advanced radio enthusiasts possessing television receivers will be able to enjoy the 'Talkies of the Air.'

"Meanwhile, television experimentation goes forward within the laboratory and on the air by the thirty-odd licensed experimenters. Almost monthly a new company joins the ranks of television pioneers through authorization to build a station from the radio commission. Standards of transmission gradually are being raised, mainly through experimentation on the ultra-high frequencies recently discovered to be well suited for visual transmission. These waves have line-of-sight characteristics, which means that they can be received only over small localized areas from the transmitting station.

"The National Broadcasting Company continues to work quietly on its television plans, but neither it nor its associated company, the RCA-Victor, has adopted regularly scheduled television transmission, as yet, although three stations are being operated sporadically. Just now the National Broadcasting Company is putting the finishing touches on its new ultra-high frequency television station atop the Empire State Building, New York, the world's tallest edifice. This lofty location was selected because of the line-of-sight characteristics of the waves, so that the station figuratively can look down on all of New York without being obstructed and its signals received without interference. Studios for the Empire State Building station are planned in the new $350,000,000 Radio City project, in the heart of New York."

Vancouver Enlarging Elevator

The construction of the superstructure at No. 1 elevator, in the Port of Vancouver, will be started in the latter part of August and the addition will be completed early in the fall. The proposed 1,000,000 bushel addition to the Grain Growers' elevator (Harbor Board No. 3) is now reported to be assured, and it is hoped to finish the structure within three months.

Property Management
Consult us about your property. Our services are at your disposal.
McWILLIAMS & BROUGHALL
Members Toronto Real Estate Board
25 King Street West
TORONTO
Elgin 4183-3-4

4%
paid on deposits—subject to withdrawal by cheque.
CENTRAL CANADA LOAN AND SAVINGS COMPANY
KING AND VICTORIA STS., TORONTO
23 SIMCOE ST. N., OSHAWA
ESTABLISHED 1884

GEORGE F. HARDY
Consulting Engineer
305-309 Broadway, New York City, N.Y.
Member:
Amer. Soc. C.E. Amer. Soc. M.E. Eng. Inst. Can.
Consultation
Reports
Valuations
Estimates
Paper and Pulp Mills
Hydro-Electric and Steam Power Plants
Plans and Specifications

Dominion Foundries & Steel Limited
STEEL PLATE STEEL FORGINGS
STEEL CASTINGS
For Every Purpose
Hamilton Ontario

SEND IN YOUR ORDER NOW FOR THE NEW

SURVEY OF CORPORATE SECURITIES 1932

$2.00

What This Book Will Give You

1. Details of 1931 earnings of Canadian companies in which public has investment.
2. The background of each company—history of organization and development — names of officers and directors.
3. Details of all bond and stock issues.
4. Funds in which bond interest is payable.
5. Dividend rate and when payable.
6. Details of capital reorganizations.
7. Balance sheets and earnings statements for 1931, 1930 and 1929.
8. Price range of stocks for 1931, 1930 and 1929.

MANY changes have taken place in the structure of Canadian companies in the past year. Difficult conditions have influenced operations and earnings. Reorganizations have been numerous. The new edition of The Financial Post Survey of Corporate Securities contains details of all such changes. It is essential that the investor secure this new edition if he is to know the present position of the companies in which he is interested.

Facts covered include: Earnings statements and balance sheets for 1931 compared with those of 1930 and 1929; details of each bond issue; whether interest is payable in Canadian, New York or sterling funds; times bond interest earned, etc.

Bonds and stocks of well managed and long established companies have declined drastically. Many appear to offer attractive opportunities if held for a reasonable period. The Survey of Corporate Securities supplies the information needed to enable the investor to determine the relative merits of securities; to study present holdings; to consider "switches."

Everyone with investments or funds to invest needs this book. Credit managers and sales managers will find it a valuable source of information on the position of Canadian companies to which they are selling.

Fill in the coupon below and send it in at once so that you may secure a copy without delay.

ORDER COUPON

The Financial Post,
153 University Ave.,
Toronto.

Send me ------ copies of The Financial Post Survey of Corporate Securities. Attached is $------ at the rate of $2.00 a copy.

Name ....
Address 90

CLAUDE NEON PASSES DIVIDEND ON PREFERRED

Directors Will Reconsider When More Figures Available

From Our Own Correspondent

MONTREAL.—Dividend on the preferred stock of Claude Neon General Advertising covering the first half of the current year, has been deferred by the directors until it is possible to determine what final results for the year are likely to be.

It is said that operations to date have been relatively satisfactory and that sales for the half year were down less than 1 per cent as compared with the corresponding period of 1931. Earnings during the period, however, have not been in the same ratio, as it is understood that income from several large contracts will not show up in the statement until the last half of the year.

Two New Departments

Considerable attention is now being paid by Claude Neon to low voltage signs and interior lighting. These are two new developments which are regarded as possible big revenue producers for the company.

During the past year the consolidated income account of Claude Neon General Advertising registered net earnings of $578,456. This was after operating expenses and provision for estimated maintenance and service against long term contracts. After providing for depreciation and other prior charges, balance of earnings available on the preferred shares was $6.98 a share. This was on the basis of the number of shares outstanding at the end of the year. Taking the average number of shares outstanding throughout the year, per share earnings would have been in excess of dividend needs of $7 a share.

HAMILTON BRIDGE LIKELY TO DEFER STOCK DIVIDENDS

Directors May Omit Preferred Payment in Order to Conserve Cash

From Our Own Correspondent

MONTREAL.—Unless increased earnings justify the declaration, it is unlikely that Hamilton Bridge Co. will pay the next quarterly dividend on its preferred stock.

Operations of the company during the first five months of the current year have resulted in a loss, according to James Playfair, chairman of the board of directors. The consolidated balance sheet of the company and its subsidiary, Western Bridge, as of May 31 last, says Mr. Playfair, showed a sound liquid position. It is in order to conserve this position that the directors have deemed it advisable to postpone the payment of further dividends on the first preferred stock unless such distribution is justified by increased earnings.

Earned Dividend in 1931

During the year ended December 31, 1931, consolidated income account of Hamilton Bridge showed net profits of $144,727. This was roughly $1,200 in excess of dividend requirements on the first preferred stock, of which there is outstanding $2,200,000. A dividend of $1 a share was paid on May 1, 1931, but no distribution has been made on the junior security since that date.

No particulars are available as to current operations of the company. Last year Western Bridge Co. operated at a slight loss. The Toronto plant was closed down, while the East End Hamilton plant operated intermittently. The West End Hamilton plant was working at approximately 30 per cent of the total capacity of both plants at the end of the year. There was a carryover of a small volume of unfinished contracts into 1932, but the amount of new business since that time has been negligible.

Report Bookings Good For C. of C. Tour

Good progress has been made in bookings for the 1,500-mile Maritime tour in connection with the seventh annual convention of the Canadian Chambers of Commerce, according to officials of the Clarke Steamship Co.

The delegates will spend 10 days cruising the Gulf before they reach Halifax for the three-day convention of September 13, 14 and 15. They will visit Gaspe, Charlottetown, Sydney, Cape Breton and picturesque St. Pierre and Miquelon. After a day and a night at St. John's, Newfoundland, their ship, the S.S. "New Northland," flagship of the Clarke Steamship fleet will dock in Halifax on the morning of September 13.

At the close of the convention the party will leave Halifax via Dominion Atlantic Railway for Grand Pre, N.S., where motor cars will take the delegates through the Evangeline Country to Kentville. From there they will visit Annapolis Royal and Digby by train. The trip from Digby to Saint John, N.B., will be made on the Canadian Pacific Steamer, "Princess Helene." The following day the journey will be resumed by river boat to Fredericton, N.B., and from there by train to Montreal and points west on September 18.

This "good will tour" has been made possible by the co-operation of the Clarke Steamship Company, the Canadian Pacific, the Canadian National and Dominion Atlantic Railways. Arrangements for this tour are being made by the secretaries of the Chambers of Commerce throughout Canada.

June Asbestos Trade Records Little Change

From Our Own Correspondent

MONTREAL.—No appreciable improvement took place in shipments of asbestos during June. There was no demand for Crude No. 1, while shipments of No. 2 amounted to 30 tons, compared to 10 tons in the preceding month and 16 tons in June, 1931. Fibre shipments totalled 2,365 tons in June, 1932, compared to 2,686 tons in May, 1932, and 4,319 tons in June, 1931. Shorts in bags increased from 1,992 in May to 2,765 in June, 1932, but still under the 4,319 recorded in the same month last year. There were 31 tons of refuse in bulk shipped during the month. No shipments of this class have been recorded since November last year.

Machinery Sales Higher

Increases of from 20 to 50 per cent in machinery sales in Western Canada have been reported this year by many implement houses.

Canada Seeks Equality In British Cattle Trade

History of Our Shipments Over Thirty Years is Record of One Unnecessary Embargo After Another

By DUNCAN MARSHALL

Why does Canada want the free admission of Canadian cattle to the British market? This is a question that has been asked again and again. Why does Canada not prefer to have our cattle killed here and shipped as beef to Britain? The shipment of beef would take less space and in every way would seem to be the most economical method of exporting cattle by rail and ocean.

This would indeed be the proper method but for the all important fact that the British consumer of beef will pay a premium for home-killed meat over the price of chilled beef. Frequently, six or eight cents per pound more is paid for prime home-killed beef over chilled. I have seen the spread as great as 12 cents per pound. We want this premium for our beef. It is top quality. We can sell our cattle to British feeders who will pay good prices and after finishing them, get the top figures for them.

By shipping live cattle we get into the very best class in the British market, while by shipping chilled meat we would have to be content with the second-rate market and in it encounter the keen competition of Argentine beef.

History of Cattle Embargo

The British embargo on Canadian cattle has been discussed over a long period of years and because of its peculiar nature is less understood than most public questions of like importance. It has been a recognized rule among countries, for over fifty years, that farm animals shall be admitted from one country to another when the exporting country has a clean bill of health for that type of farm animal, and, when any scheduled disease breaks out in any country, that the other countries shall be entitled to place an embargo against live stock from the country where the disease exists.

A scheduled disease is one which the "Health of Animals Acts" mentions as being dangerous from the standpoint of country-wide infection. The cattle diseases which most countries schedule are, foot and mouth, rinderpest or cattle plague, and pleuro-pneumonia. It has also become a general rule that when an outbreak of disease is cleaned up and the infected country has a clean health bill for a period of 60 days that the embargo against livestock of that country shall be raised.

Thirty Years Ago

The British embargo against Canadian cattle was made effective on November 21, 1892, because it was alleged by a British veterinary inspector that he found traces of pleuro-pneumonia in the lungs of a Canadian steer when slaughtered in Britain. There has always been some question as to whether or not this was pleuro-pneumonia, but in any event many 60-day periods have elapsed since this incident happened.

Sir Charles Tupper, then Canadian High Commissioner in London, took up the matter and in March, 1893, the British Minister of Agriculture stated that before Canadian cattle could be admitted, except for immediate slaughter, a careful examination would have to be made of the lungs of those slaughtered at the port of landing, over a reasonable period of time. This examination of cattle went on for the next three years, during which time 262,718 head of Canadian cattle were killed at British ports, carefully examined, and without any traces of disease being found. During this period, no evidence of any scheduled disease could be found in Canada, yet early in 1896 the British government made the embargo against Canadian cattle permanent by imposing it by Act of Parliament instead of by order of the Ministry of Agriculture. This made it difficult, in fact well nigh impossible, to remove, as an Act of Parliament was then required to rescind it.

Our Attitude to Britain

During the next 25 years there were several outbreaks of foot and mouth disease in Great Britain, and whenever such disease existed, Canada placed an embargo against British cattle, but immediately Great Britain had a clear bill of health for 60 days, Canada raised the embargo. When there was any short delay in doing so Britain always made very strong protests in spite of the fact that she was severely maintaining a quarter of a century embargo against Canadian cattle in which there had been no outbreak of disease.

All the protests made by Canada against this condition were in vain. They fell upon deaf ears, and Canadian cattle were excluded except for immediate slaughter. The matter came up from time to time but was always shelved. In the meantime, there was no government so ready to resent an embargo against their cattle as the British government. At one time, Uruguay decided that British cattle should not be admitted to that country until a period of six months had elapsed after an outbreak of disease had been cleaned up. The British Ministry of Agriculture protested against this period of six months as being too long and succeeded in getting it reduced to three months, yet at the same time the British ministry did not think 25 years too long a period for an embargo against Canada!

It is well to keep in mind the fact that no country denies the right of another country to impose a tax or tariff on cattle, but an embargo on account of disease has been regarded as unfair when disease did not exist.

Promise Not Kept

When the Imperial War Conference was held in April, 1917, the question of the cattle embargo was brought up by Sir Robert Borden and Hon. Robert Rogers. The chairman of this conference, Rt. Hon. Walter Long, and the British Minister of Agriculture, Mr. Prothero, both definitely promised that the embargo against Canadian cattle would be removed at the close of the war. The reason given for not removing it sooner was that during hostilities there was no shipping space anyway for live cattle. At this meeting, Mr. Rogers moved that the embargo against Canadian cattle be removed and Mr. Long, the chairman, said: "Mr. Prothero accepts that, and there is an end of it."

The war ended in 1918 but the embargo did not end. The health of Canadian cattle was not questioned but the embargo was maintained. The question came up in the British House of Commons and in one by-election. Finally Mr. Lloyd George, as Prime Minister of Great Britain, appointed a Royal Commission to take evidence and make a report on the advisability of allowing the importation of Canadian store cattle to Great Britain.

This Royal Commission consisted of Lord Findlay, Lord Askwith, Sir Algernon Firth, Sir William Peat and Sir Arthur Shipley. The commission met and took evidence between May 30 and July 6, 1921. Only two Canadians gave evidence before the commission, Hon. Dr. Tolmie, as Federal Minister of Agriculture, and myself as the Minister of Agriculture of Alberta. The commission reported in favor of the removal of the embargo about two months later.

Temporary Victory

Nothing further was done until about May, 1922, when, the matter being pressed by Hon. P. C. Larkin, Canadian High Commissioner, a conference was arranged between the British and Canadian governments to work out the terms by which Canadian cattle should be admitted. Dr. J. H. Grisdale, Deputy Minister of Agriculture for Canada, and myself, as commissioner from the Department of Agriculture, met the officials of the British Ministry of Agriculture to arrange the details. Rt. Hon. W. S. Fielding and Hon. Ernest Lapointe, represented the Canadian Government, while Sir Arthur Griffiths-Boscawen, Minister of Agriculture, and Rt. Hon. Winston Churchill, Secretary of State for the Dominions, represented the British Government.

Weeks were spent by us on the details of the agreement before Mr. Fielding and Mr. Lapointe arrived from Geneva and fortunately the terms of the agreement were embodied in a bill prepared by the officials of the legal department and so was ready for introduction in the British House of Commons.

The agreement was nearing completion when one morning we were informed that the Lloyd George government would resign that day and that Mr. Bonar Law would be called on to form a government. The new government, Sir Arthur Griffiths-Boscawen informed us, would in all likelihood carry out any agreement we completed that morning but if no agreement was completed the whole matter might have to be taken up again. The question still in dispute between us was the admission of Canadian cows and heifers. The British authorities had agreed to admit steers or spayed heifers but refused to admit other cattle. We had made an offer to remove the 30-day quarantine on British cattle coming to Canada if Britain would admit our cows and heifers and Sir Arthur said he would accept that proposition and in half an hour the agreement was completed. The bill as drafted was introduced at the special session of the House of Commons held for the purpose of passing the Irish bills in December of 1922. The session was a short one with a fixed time for its conclusion and no other legislation except the Irish Bills and the "Importation of Animals Bills" was introduced and the latter would not have had a chance but for a promise given me by Mr. Bonar Law in Glasgow during the election, and the additional fact that the terms of the removal of the embargo had already been drafted into a bill which was ready for introduction in the House of Commons.

Embargo Still Effective

The bill was quite strenuously fought by the Irish members but had support enough to become law with a few minor amendments. The Act came into force on April 1, 1923, and admitted store cattle. It contained a clause admitting cows and heifers by an order of the Ministry of Agriculture but that order has not yet been made and so nine years after steers have been admitted we find cows and heifers which may have been pasturing in the same field, excluded by an embargo allegedly on account of disease. This makes the situation rather ridiculous.

In the summer of 1923, the cattle trade with Britain was greatly retarded by inspectors who had the authority to order any cattle they considered fit for killing to be slaughtered at the port of landing. The result was that several shipments which could have been sold advantageously to British feeders were ordered killed and, not being finished beef, sold at lower prices. This question came up at the Imperial Conference in London in the autumn of 1923 when Sir Robert Saunders, then the British Minister of Agriculture, finally agreed to allow Canadian cattle to go out for feeding when any British farmers agreed to feed them for a period of not less than 28 days. This removed that difficulty.

Want Equality With Ireland

The problem at the present Imperial Conference is to have cows and heifers admitted by order as provided for in the Act of 1922. We want our cattle placed upon the same footing, with respect to the landing of imported cattle in Britain as Irish cattle have been.

The question of supply of cattle has also been a moot one. If the British admit our cattle they always protest that they want a reasonably large supply. It would, however, be very easy for Canada to send 100,000 head per year and this is what Britain wants. During a period of 15 years, from 1897 to 1911, we exported to Great Britain, even though they had to be slaughtered at the port of landing, an average of 133,111 head of cattle each year. During the war our cattle were admitted free to the United States and could not cross the ocean in any event and in 1919 we exported 308,562 head and reached the climax in 1920 by exporting 500,216 head, so the cattle possibilities of this country are quite worthwhile and can provide Britain the steady supply she wants. Our present tariff war with the United States will keep that market closed while the contest continues.

Canada shipped 117,819 head of cattle to Great Britain in 1926 and our total exports of cattle that year numbered over 220,000 head. If our purpose now is to trade with Britain and maintain a tariff war with the United States the possibilities of cattle going across the ocean are quite worth developing.

TOBACCO NEEDS ON LOWER SCALE IN CURRENT YEAR

Cut Tobacco Only Product to Show Increased Sales

From Our Own Correspondent

MONTREAL.—Tobacco consumption in Canada during the first half of the current year was on a lower scale than that reported for the corresponding period of last year, indicating lower sales by the tobacco manufacturing companies.

The number of cigarettes entered for consumption in June last was 376,779,000. This compares with 430,179,000 for the same month a year ago. Cumulative returns indicate a consumption of about 2,000,000,000 cigarettes for the first six months of 1932, as against over 2,100,000,000 for the first half of last year.

There has also been a decline in the consumption of overweight cigarettes, but as the number involved is not large, there is little effect upon the trend of tobacco consumption in this country.

The returns, as prepared by the Department of Excise and reported by the Bureau of Statistics, indicate that a drop in the demand for plug tobacco has taken place. On the other hand, however, sales of cut tobacco have increased. This is due in part to increased pipe smoking and the making of cigarettes by the individual smoker. The number of pounds of plug tobacco entered for consumption in June was 425,899, as against 503,867 in the same month last year. Cut tobacco consumed advanced from 1,480,478 pounds in June, 1931, to 1,493,496 pounds in the same month this year.

The effect of the business depression is readily seen in the consumption of cigars. During June last year, 14,380,513 cigars were entered for consumption, or about 1,600,000 more than that reported for the same month this year. During the first half of 1931 about 65,000,000 cigars were entered for consumption, compared with about 59,000,000 cigars for the first six months of 1932.

Lower consumption has had its effect upon the importations of foreign raw leaf tobacco. Importation for June amounted to 1,320,000 pounds, bringing the total to date up to about 6,300,000 pounds. In June last year imports of foreign leaf amounted to 1,382,348 pounds, making a total for the first half of the year of more than 7,400,000 pounds.

JUNE COKE OUTPUT LOWEST IN 7 YEARS

Coal Production Also Down From Year Ago and Previous Month

Coal production in Canada during June reached a total of 749,453 tons, a decrease of 39.6 per cent from the 1927-1931 average for the month of 1,239,871 tons and 15.7 per cent less than the 890,000 tons produced in June, 1931. Of the June, 1932, total, 663,491 tons was bituminous, 20,870 tons was sub-bituminous and 65,092 tons was lignite.

Nova Scotia produced about one-half of the total output with 361,199 tons of bituminous coal, followed by Alberta with 157,608 tons of bituminous, 20,870 tons of sub-bituminous and 50,419 tons of lignite. British Columbia produced 129,776 tons of bituminous coal.

For the half year ended June 30, 1932, total Canadian production was 5,620,458 tons, a decrease of 5.6 per cent from the previous year. Nearly four million tons of the 1932 total was bituminous and 1,450,000 tons lignite.

June imports of coal totalled 958,742 tons, making a six months' total of 4,390,878 tons, a decrease of 18 per cent from the total for the first six months of 1931. Of the 1932 six months' total, United States supplied 3,875,384 tons and Great Britain 509,151 tons.

Production of by-product and gas house coke in Canada at 118,719 tons during June reached a low point since September, 1925, and was considerably less than the 154,966 tons made in the corresponding month of the previous year. It was, however, only 8 per cent less than the 129,194 tons made in May of this year. Statements on the disposition of coke as furnished by the producers show that the principal drop was in the quantity of coke transferred to the makers' own smelters, this item falling to 22,467 tons from 28,987 tons.

J. R. Reid New Manager of Huron & Erie, Hamilton

Huron & Erie Mortgage Corp. and the Canada Trust Co. announce the appointment of J. R. Reid as manager of their Hamilton branch to succeed W. A. Stewart who has retired on pension.

Prior to this appointment, Mr. Reid was accountant at Hamilton, having been appointed to this position when the Hamilton Provident and Loan Corporation was purchased by the Huron & Erie.

CANADIAN WESTERN LUMBER

Statement of Lumber Manufactured, Sales and Price Realized

May	1931 Feet	1932 Feet	Decrease Feet
Lumber manuf.	6,736,181	7,370,000	*633,819
Lumber sold	7,902,783	6,285,000	1,617,783
Price realized	$118,159	$83,625	$34,534
Aggregate manuf.†	41,731,374	42,186,325	*454,951
Aggregate sold †	44,532,511	39,546,529	4,985,982
Price realized †	$653,140	$492,452	$160,688

* Increase.

† From Jan. 1 to end of May.

The Bank of Nova Scotia Celebrates One Hundredth Birthday This Month

Founded in Halifax in 1832, Bank Now Ranks High Among Canadian Financial Institutions—Foreign Development is Noteworthy

THIS month a great Canadian banking institution celebrates its hundredth anniversary.

Founded at Halifax in 1832, The Bank of Nova Scotia has risen from a local Maritime institution (one of the first of its kind in Canada) to front rank among Canadian chartered banks. International in scope, it now ranks fourth in point of assets among all Canadian banks. Its 330 branches stretch from coast to coast in the Dominion and include Newfoundland, England, the West Indies and the United States.

The Bank first opened its doors to the public in a room in John Roman's building, on Hollis Street, Halifax, in August, 1832. Halifax itself at that time was but a small British naval port of 15,000 inhabitants, whose muddy streets converged at the waterfront where seafaring commerce was carried on. Its only banking facilities were a private banking partnership started seven years previously and known as the Halifax Banking Company, which wielded a political and financial monopoly over the Province. It was in part to break this monopoly that The Bank of Nova Scotia was organized by a coterie of local business men headed by William Lawson, who held their first organization meeting at the Merchants Exchange Coffee House in Halifax in December, 1831.

OPPOSES "FAMILY COMPACT" MONOPOLY

In those days yearnings toward responsible government were being felt in many parts of the continent. Although the movement did not fully materialize in Nova Scotia until 1837, under the brilliant leadership of Joseph Howe, the fight for incorporation by The Bank of Nova Scotia against the "Family Compact," as the Halifax Banking Co. membership in the Legislative Council was called, was definitely instrumental in moulding the political destiny of the Province. Joseph Howe signed the original petition for incorporation of the Bank and for years kept an account there.

Thus The Bank of Nova Scotia was the first chartered bank in Nova Scotia, its charter being modelled on that of The Bank of New Brunswick (founded in 1820 and later absorbed by The Bank of Nova Scotia). The Bank is proud of the fact that its charter was the first to include a clause providing for the double liability of shareholders — a provision which has now become a fundamental tenet of the Canadian banking system.

William Lawson, a member for Halifax in the Legislative Assembly of the Province and chief sponsor of the project, was first President of the Bank, and the original directorate included many men who later became prominent in legal and political life in Nova Scotia. The Bank was originally chartered as "The President, Directors and Company of the Bank of Nova Scotia," a name which it retained until 1874. The Bank's first General Manager or Cashier, as the chief executive officer was then called, was James Forman. The names of the original directorate were: Alex. Murison, William Lawson, William B. Bliss, John Brown, M. B. Almon, James W. Johnston, Lewis Bliss, James B. Uniacke, S. N. Binney, James Leishman, William Murdoch, James Donaldson, William F. Black.

PAID DIVIDENDS SINCE 1833

The Bank's first annual statement presented to shareholders in February, 1833, showed but four liabilities: capital stock paid in, £50,000; notes in circulation, £16,613. 10s.; deposits in the Bank, £18,943. 13s. 10d. and net profits in hand, £310. 17s. 9d. Total assets were £85,868. An item of £153. 8s. 3d. being the "balance in the hands of the Agents of the Bank in New York and London" reflects the dealings in foreign exchange early undertaken by Canadian banks. The Bank declared its first dividend on July 31, 1833, at the rate of 3 per cent per annum.

Early progress was slow. Branches, or agencies as they were then called, were opened in many parts of the Province in the first decade of the Bank's existence, but were closed subsequently from lack of business. It was not till a young Scotch banker named Thomas Fyshe took over the position of cashier in 1876 that real progress and expansion were evidenced. A cautious, competent Scot, he first set to work to make the Bank's "inside" position impregnable. By the time he left, twenty-five years later, to become Joint General Manager of the Merchants Bank of Canada, the Bank had greatly widened its operations, with 37 branches throughout Canada extending as far west as Winnipeg and with a flourishing stake in Newfoundland, Jamaica and the United States.

EXPANSION ABROAD

The foreign development of the Bank is particularly noteworthy. The Bank's first real venture outside the Dominion was to Minneapolis in 1885. In 1889 the Bank opened for business in Kingston, Jamaica. This was the first time in Canadian banking history that a chartered bank ventured to establish any branch outside Canada, Great Britain or the United States. The Bank now issues its own notes in that colony, operates 12 branches, and occupies an outstanding position in the financial and economic life of the Island.

An equally important move was the opening of a branch at St. John's, Newfoundland. When the two native banks, which alone served that colony, collapsed in 1894, The Bank of Nova Scotia was the first institution to offer banking facilities to the city, and business commenced 11 days after the crash on December 10th. Other Canadian banks opened a few weeks later. The Bank now has 12 well-placed branches in Newfoundland.

Subsequently, to round out and expand its operations in the West Indies, the Bank opened branches in Cuba, Puerto Rico, and the Dominican Republic.

GENERAL OFFICE MOVED TO TORONTO

As a result of the development and growth of the Bank's business in central and western Canada, its chief executive office was moved to Toronto in March, 1900. This year it celebrated its one hundredth annual meeting by holding it in its new Head Office building in Halifax—one of the finest examples of banking architecture in Canada and embodying a new motif in Canadian architecture through the use of conventionalized form of purely Canadian flora and fauna.

In its one hundred years of existence the Bank has had but six general managers. Following Thomas Fyshe came H. C. McLeod, a Maritimer, whose fight for external inspection for banks (a feature of Canadian banking since 1923) will long be remembered in Canadian banking annals. He served the Bank till 1920, when he was succeeded by H. A. Richardson, who piloted the Bank through the difficult and strenuous days of the war. On Mr. Richardson's death in 1923, his place was taken by J. A. McLeod, another Maritimer, who this year holds the presidency of the Canadian Bankers' Association.

IMPORTANT AMALGAMATIONS

It was under Mr. Richardson's aegis that three important amalgamations took place. In 1913 the Bank absorbed the Bank of New Brunswick, whose history dated back to 1820, and which was at that time the second oldest banking institution in Canada. It had maintained its identity for nearly a century as a more or less local institution, and the benefits of linking up with a national organization such as The Bank of Nova Scotia were obvious.

In November, 1914, just at the beginning of the war, the Metropolitan, a well-established Toronto bank, was absorbed. Founded in 1902 by a group of prominent Toronto business men, the Metropolitan Bank had the distinction of being the only Canadian bank to start business with a reserve fund equal to its capital stock, its shares having been sold at a 100 per cent premium. The present President of The Bank of Nova Scotia, S. J. Moore, was President of the Metropolitan Bank at the time of the merger, and its General Manager was W. D. Ross, latterly Lieutenant-Governor of Ontario and now a Director of The Bank of Nova Scotia. This amalgamation gave the Bank a desirable and valuable banking connection in Ontario.

The third merger was with the Bank of Ottawa, and was consummated in 1919. Founded in 1874 by men who had pioneered in the lumber trade of the Ottawa Valley, this bank had built up a unique and important position in that locality and in addition had a number of branches in Manitoba and Saskatchewan. Its acquisition proved a valuable asset to the Bank and afforded a wider national banking service to an important clientele.

RESERVES EQUAL TO TWICE THE CAPITAL

The Bank of Nova Scotia in its last annual statement showed total assets of $262,496,000. Paid-up capital stock is $12,000,000 and alone among all Canadian banks it shows a reserve fund equal to twice its capital, namely, $24,000,000. Total deposits in the statement were over $200,000,000 with cash resources nearly 11 per cent of liabilitites to the public, and quick assets nearly 55 per cent of liabilities. The book value of each share of capital stock is $304.

Officers and Directors at the present time are as follows:

OFFICERS:— S. J. Moore, President; Hector McInnes, K.C., Vice-President; J. A. McLeod, Vice-President and General Manager; H. F. Patterson, H. D. Burns, Assistant General Managers.

DIRECTORS:—S. J. Moore, Toronto; Hector McInnes, K.C., Halifax; J. A. McLeod, Toronto; W. W. White, M.D., Saint John; Hon. W. D. Ross, Toronto; Hon. George Bryson, Fort Coulonge, Que.; John B. Fraser, Ottawa; Russell Blackburn, Ottawa; Alexander Maclaren, Buckingham, Que.; Hon. George Gordon, North Bay; F. P. Starr, Saint John, N.B.; O. E. Smith, Halifax; Sidney T. Smith, Winnipeg, Hon. James C. Tory, Halifax; Leighton McCarthy, K.C., Toronto; W. M. Birks, Montreal; Hon. J. Fred Fraser, Halifax; Hon. F. B. McCurdy, P.C., Halifax; A. L. Ellsworth, Toronto.

PRESIDENT AND GENERAL MANAGER

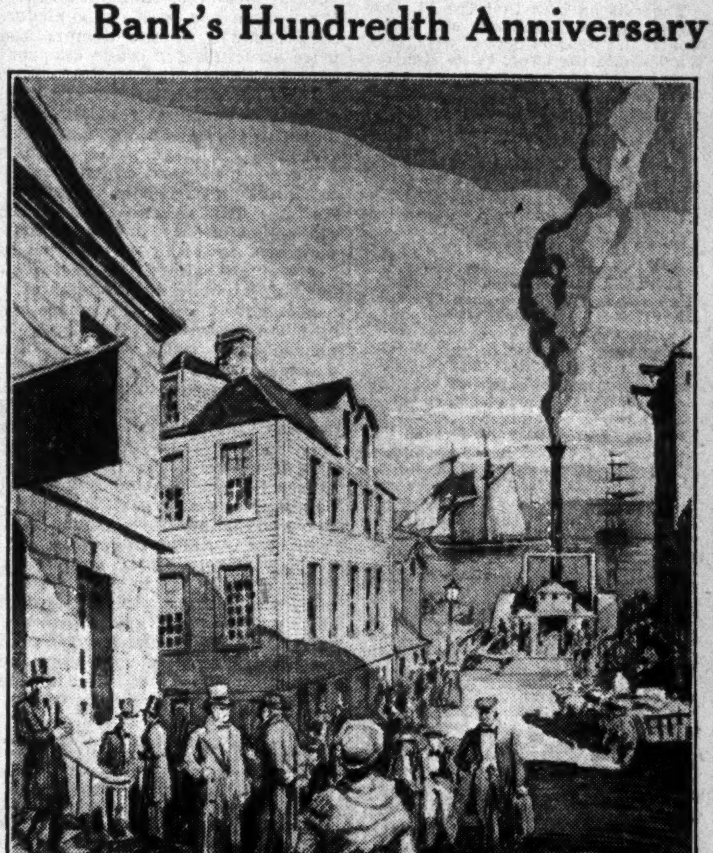
S. J. MOORE

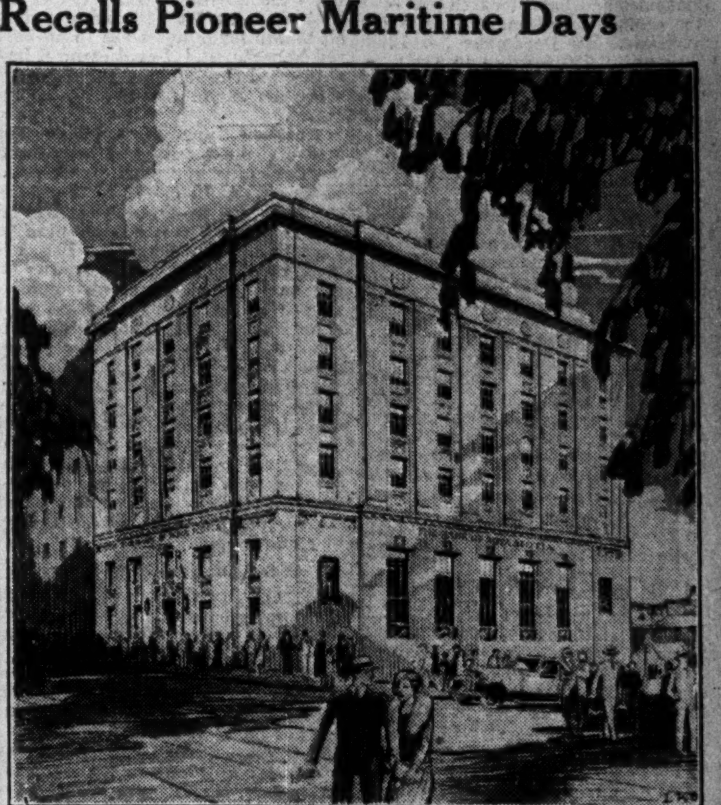
President of the Bank of Nova Scotia, was president of the Metropolitan Bank when it was acquired by the Bank of Nova Scotia in November, 1914.

J. A. McLEOD

General manager of the Bank of Nova Scotia since 1923, is a native of the Maritime Provinces, whence many famous Canadian bankers have come.

Bank's Hundredth Anniversary Recalls Pioneer Maritime Days





At the left is the old Merchants' Exchange Coffee House—famous meeting-place of its day—where the original organization meetings, out of which grew the Bank of Nova Scotia, were held one hundred years ago. The first meeting was held in the Coffee House in December, 1831, and the bank opened its doors for business in August, 1832.

At the right is a new picture of the fine, compact head office building of the bank just completed at Halifax, and considered one of the finest of its kind on the continent. Although the executive offices of the bank are maintained at Toronto its head office is still at its birthplace — Halifax — and there shareholders gather once a year to hear news of Canada's second oldest and fourth largest banking institution.

The bank has branched out from Halifax and the Maritimes to operate all over Canada as well as in Newfoundland, Jamaica, Cuba, Puerto Rico, the Dominican Republic, certain centres in the United States, and in London, Eng.

1931 FISH CATCH DOWN 36 PER CENT

Decline in B.C. Salmon Catch is Mainly Responsible

By decreasing approximately 12 million dollars in value, or more than 50 per cent, compared with the previous year, the reduced total of fishery production for British Columbia is mainly responsible for the large decrease in the 1931 total for fishery production in Canada. Production in 1931 was valued at $30,682,631 as compared with $47,804,216 in 1930, a decrease of $17,121,585, or approximately 36 per cent. These figures represent the value of fish as marketed, whether sold for consumption fresh, or as prepared in various forms.

Both prices and quantity caught declined from the previous year, the 9,619,525 cwt. caught in 1931 being 13 per cent less than in the previous year. Most of the principal kinds of fish show decreases in the quantity of catch, although the lobster fishery, which is second to salmon in importance, is an exception with an increase of 28,225 cwt. in 1931.

Of the total catch about 22.5 per cent by quantity is marketed fresh, the remainder being sold in various prepared forms. The chief items under the head of prepared fish in 1931, were: canned salmon, $5,219,757; canned lobster, $2,639,868; dried cod, $1,247,684; canned sardines, $810,838; dry-salted salmon, $793,516; and dry-salted herring, $776,442.

The number of fishermen employed during the year was 62.154, while the fish canning and curing establishments gave employment to an average of 7,216 persons, a total for the industry of 69,370 employees. Capital employed in 1931 was placed at $45,351,000 as compared with $64,026,000 in the previous year. Of the 1931 total $26,497,641 was employed in primary operations and the balance in fish canning and curing establishments.

Current Events in Banking World

U.S. BANK HEAD ENVIES CANADA'S STABLE SYSTEM

Manifold Troubles of Unit Bank Explained in Interview

"Former depositors are hoarding their funds in treasury bills or gold and, considering the losses sustained through the failure of unit banks in this district, one can hardly blame them," the president of the only bank left in a Ohio city of about 40,000 persons, told The Financial Post.

Prior to the market crash and its attendant slump in real estate values there were five thriving banks in this city and the four which have gone to the wall have carried with them a large proportion of the savings of the citizens. In addition to this, buildings and loan societies, which are able to continue in business under state laws so long as they pay interest on deposits, are unable to repay depositors their principal, so that a considerable additional amount is tied up in non-liquid mortgages.

Public Lack Confidence

"Our problem is made more acute," this banker explained to The Financial Post, "by the lack of confidence in our institution arising out of the unfortunate experience of the public with other banks. Only last week," he related, "we had to withstand a two-day run on this bank and the situation was only saved by the directors being able to raise a million dollars; and there are not many small city banks in this country which have directors capable of rising to the occasion in this manner."

Questioned regarding the Glass Bill, and particularly that section of the bill dealing with branch banking, this Ohio banker admitted that while two years ago he had been an ardent supporter of the unit system, in the past months he had changed his views considerably. As he saw it, any attempt to establish a branch banking system would entail a few years of very unsatisfactory conditions while the heads of the branch chains were adjusting themselves to their new positions but he thought that this might be preferable to the present system with its undoubted weakness in times of stress.

Political interference loomed as a menace to branch banking in the mind of this banker. Paying a direct compliment to our politics and politicians and showing a complete lack of confidence in the United States political jumble, he stated that in his opinion banking as carried on in Canada could never survive political interference in the United States and that any similar attempt in the United States would have to be hedged around with unassailable barriers to exclude political factions.

It was pointed out by this banker that small unit banks did not have facilities for taking over a debtor business in which poor management was causing the bank's equity to be menaced and for this reason losses had occasionally to be taken which might have been avoided. The unit bank's smallness also made collection arrangements very unsatisfactory, he stated. Correspondents in the larger cities throughout the United States could not be expected to spend a great deal of trouble and time over the small collections of any one bank as in most cases they were correspondents for a large number of small banks.

Few Practical Bankers

Very few of the executive heads of unit banks throughout the United States are practical bankers, he pointed out, as their positions are usually filled by representatives from the successful manufacturers of the district. Under such circumstances, he said, the directors of many banks throughout the country are entirely unfitted to direct the banks' business.

Facing a situation in which deposits are less than half the total of 1929, and loan applications with satisfactory security practically non-existant, and attempting to deal with a public which has lost faith in the security of banks, this banker cast envious eyes on Canada's apparently impregnable banking position. "Perhaps some of our mushroom growth during the past twenty years has been due to the close relationship between the local banks and their districts," he said, "but there is no doubt in my mind that we would be much better off at the present time, even though not so far advanced industrially, had we built up our banking system along the lines which have proved so successful in Canada and England."

C.F.U.A. Drop Rates When Aylmer Asks It

Aylmer, Ont., has received a reduction of between 25 and 30 per cent in its fire insurance rates according to a communication sent out by the Canadian Fire Insurance Underwriters' Association.

Since the conflagration in 1921, the town has made considerable improvements to the waterworks system and also purchased two fire pumps. A volunteer fire brigade was also organized under Chief D. Dumoulin.

The reduction was asked by the council

Weekly Bank Clearings

Eastern Cities	Aug. 6, 1931	Aug. 4, 1932
Halifax	$ 3,486,527	$ 2,082,988
Saint John	2,129,109	1,810,121
Moncton	616,811	800,891
Sherbrooke	748,483	629,209
Quebec	6,147,465	4,762,454
Ottawa	6,184,055	3,823,500
Montreal	105,845,949	83,049,158
Kingston	682,447	584,532
Peterborough	787,291	588,796
Toronto	80,609,902	72,817,989
Hamilton	4,897,991	3,492,308
Kitchener	921,524	1,198,237
Brantford	925,980	776,896
London	2,580,089	2,290,923
Chatham	360,696	398,079
Windsor	3,015,956	2,875,406
Sarnia	464,183	357,218
Sudbury	724,379	359,073
Western Cities	**Aug. 6, 1931**	**Aug. 4, 1932**
Fort William	$ 688,100	$ 576,683
Winnipeg	44,625,030	47,817,182
Brandon	468,275	389,437
Regina	6,113,160	4,491,822
Moose Jaw	666,358	491,422
Saskatoon	2,205,767	1,912,327
Prince Albert	416,514	278,155
Edmonton	4,687,386	6,442,617
Calgary	4,528,652	4,571,785
Medicine Hat	231,152	175,979
Lethbridge	421,912	367,446
New Westminster	676,762	423,381
Vancouver	19,378,488	18,884,355
Victoria	2,034,429	1,507,617

Total Loans In Canada Lowest In Five Years

June Bank Statement Indicates Slackness of Canadian Business — Call Loans Abroad Rise Slightly from May Low

Total loans in Canada reached their lowest point in June since September, 1927, according to the combined statement of all Canadian chartered banks for that month and were almost 40 million dollars less than in the previous month. With the exception of non-current loans, all classes of loans decreased from the previous month, current loans dropping $20,000,000 and loans to municipalities dropping $14,000,000. In addition, loans abroad dropped more than $12,000,000 although call loans abroad were up $8,381,000 from the low point of the previous month.

The natural result of this decrease in loans is that deposits will be decreased and this is the case. Demand deposits are down $9,049,000 and savings deposits are down $13,761,000, for a total decrease of $22,811,000.

The Financial Post credit ratio dropped 0.5 per cent from the previous month, standing at 61.6 per cent, compared with 62.1 per cent in the previous month and 63.8 per cent in June, 1931. The June, 1932, figures is the lowest since this index was commenced.

	June, 1932	May, 1932	Change	June, 1931	Change
	$	$	$	$	$
ASSETS					
Immediately Available Liquid Resources					
Specie	54,967,387	55,459,572	—492,185	70,161,646	—15,194,259
Dom. notes	127,390,977	115,415,345	+11,975,632	102,887,640	+24,503,337
Gold reserve	22,881,732	22,581,732	+300,000	27,730,866	—4,849,134
Foreign banks	103,106,728	108,189,539	—5,082,811	120,040,963	—16,934,235
Foreign curr.	15,569,546	15,246,599	+322,947	16,559,841	—990,295
Govt. secs.	462,309,745	465,484,096	—3,174,351	461,611,619	+698,126
Call loans ab'd.	73,666,758	65,285,570	+8,381,188	108,498,819	—34,832,061
	859,892,873	847,662,453	+12,230,420	907,491,394	—47,598,521
Loans and Securities Other Than Those of Canadian Government					
Public secs.	152,088,571	140,808,229	+11,280,342	156,950,624	—4,912,053
Railway secs.	54,983,264	57,129,954	—2,146,690	76,411,895	—21,428,631
Can. call loans	109,868,315	113,830,496	—3,962,181	181,643,728	—71,775,413
Current loans	1,037,318,917	1,057,227,680	—19,918,763	1,127,088,209	—89,724,292
Loans abroad	174,895,690	187,081,686	—12,185,996	214,396,426	—39,500,736
Prov. loans	34,338,040	36,669,250	—2,331,210	16,197,824	+18,140,216
Mun. loans	139,216,545	153,519,049	—14,302,504	119,405,539	+19,811,006
	1,702,654,342	1,746,266,344	—43,612,002	1,892,044,245	—189,389,903
Other Assets					
Non-curr. loans	12,506,663	11,939,669	+566,994	9,016,483	+3,490,180
Real estate	7,192,266	6,955,208	+237,058	6,220,303	+971,963
Mortgages	6,007,746	6,194,547	—186,801	6,321,880	—314,134
Premises	79,895,219	79,950,760	—55,541	78,811,002	+1,084,217
Lets. of credit	48,493,015	48,901,331	—408,316	73,049,615	—24,556,600
Loans to comp.	13,008,189	12,850,626	+157,563	14,666,963	—1,658,774
Other assets	1,420,429	1,637,467	—217,038	1,575,637	—155,208
	168,523,527	168,429,608	+93,919	189,661,883	—21,138,356
Total	2,731,070,742	2,762,358,405	—31,287,663	2,989,197,522	—258,126,780
Note cir. dep.	6,950,952	6,834,928	+116,024	6,986,035	—35,083
Int. bank bal.	110,155,599	98,411,172	+11,744,427	132,561,684	—22,406,085
Gross	2,848,177,293	2,867,604,505	—19,427,212	3,128,745,241	—280,567,948
LIABILITIES					
To The Public					
Circulation	136,295,915	131,073,118	+5,222,797	142,558,937	—6,263,022
Dom. Govt.	36,417,005	50,383,696	—13,966,691	26,756,296	+9,660,709
Prov. Govt.	20,665,028	19,312,381	+1,352,647	48,902,254	—28,237,226
Govt. advances	40,500,000	29,600,000	+10,900,000	13,500,000	+27,000,000
Deposits by Public					
Demand dep.	488,937,580	497,987,216	—9,049,636	600,747,340	—111,809,760
Savings dep.	1,373,265,341	1,387,026,640	—13,761,299	1,450,356,954	—77,091,613
Total	1,862,202,921	1,885,013,856	—22,810,935	2,051,104,294	—188,901,373
Foreign dep.	308,220,892	308,936,683	—715,791	355,929,759	—47,708,867
Due to Banks Abroad, Etc.					
Un. Kingdom	5,730,912	4,942,608	+788,304	5,845,878	—114,966
Foreign	51,360,417	51,353,165	+7,252	71,671,220	—20,310,803
Bills payable	1,192,889	1,252,710	—59,821	4,888,965	—3,696,076
Lets. of credit	48,493,015	48,901,331	—408,316	73,049,615	—24,556,600
Other liab.	2,184,476	2,222,440	—37,964	2,841,854	—657,378
Public liab.	2,513,263,470	2,532,991,988	—19,728,518	2,792,049,072	—278,785,602
Due bet. banks	11,038,158	10,859,402	+178,756	12,916,577	....
Liability to Shareholders					
Dividends	816,528	3,531,670	—2,715,142	788,162	+28,366
Reserve	162,000,000	162,000,000	....	162,000,000	....
Capital	144,500,000	144,500,000	....	144,500,000	....
Gross	2,831,618,156	2,853,883,060	—22,264,904	3,112,253,811	—280,635,655
Credit index*	61.6%	62.1%	—0.5%	63.8%	—2.2%

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

What Editors Say of Banks

The Banks and Their Dividends

Port Arthur News-Chronicle.—Action by some of the biggest Canadian banks in reducing their dividend rates may have a certain unsettling effect on those who are nervously inclined. It is not at all necessary.

With relation to the financial standing of the banks or the condition of affairs in the country generally it has no significance. If there is any effect it should be of a stabilizing nature, for at the present time it is the institution that is dissipating its resources instead of conserving them that is putting itself on dangerous ground.

The cutting of the dividends is nothing more nor less than the cutting of the salaries for shareholders. The salaries of branch managers and clerks have already been cut all round and the savings made thereby have been added to reserves. The shareholders are merely put on common ground with the employees. No alarm was created when the latter were asked to accept a cut. There should be none when the former are required to do likewise.

Action in both cases is dictated by the volume of business handled. As everyone knows the banks are not today carrying money earning accounts in the same volume as formerly. There are not, therefore, the same profits to be divided among either employees or shareholders.

So long as the resources of the banks are being maintained—and that is the principal object of the new move—it would be a mistake to regard the dividend action as an indication of declining safety for depositors.

Banks Can't Loan Easily

Brantford Expositor.—The reduction in dividends of two of Canada's leading banks by two per cent has no special significance save that it is quite in line with what business generally has been compelled to do, and is a step that has been anticipated for some time. As a matter of fact, the surprise is that the banks have been able to maintain their high dividend rate for such a long time. Considering what has taken place across the border, Canadians have every reason to impose the greatest confidence in Canada's banking system. They know their savings are not being dissipated, and they are not likely to wake up some morning, as the Americans have done so frequently this year, to find the "closed" sign on the bank doors when they go to make a withdrawal.

The earnings of Canadian banks have been reduced because of general business conditions and the fact that they have such a large percentage of their assets in cash. Strange as it may seem, the banks cannot loan money very easily these days. That statement will be shocking to those who are constantly urging the banks to give out large sums of money to finance pet schemes. The banks can only lend the money that is entrusted to them by the depositors. They must therefore require on all loans adequate and undoubted security. When a man is unable to obtain a loan he attacks the bank. That is a popular habit these days. But the fact is that the banks have plenty of money, and are glad to advance it on any sound business proposition.

Explains Functions Of Insurance Trust

Many Advantages Accrue from Using Facilities Offered by Trust Company and Life Underwriter

By C. D. HENDERSON
General Manager, Union Trust Co., Toronto

Running parallel with the growth of insurance, has been an increasing concern on the part of life insurance companies to assure the application of insurance payments to the purposes for which they are intended. In keeping with this, the companies many years ago provided for simple installment and annuity payments under their policies in lieu of lump-sum settlements. As the needs of policyholders and beneficiaries have grown, these income settlement options have been enlarged.

During the last decade, however, there has become evident the need in some cases for facilities other than those afforded by the insurance companies under their income plan options. This need has been met by the life insurance trust. Trust companies play an important part in human affairs. In effect, they are great paternal institutions, acting as guide, philosopher and friend to widows, children and other dependents. Plans for a beloved son or daughter will be carried to completion with the same degree of wisdom and sympathy that the father would have given to the matter had he lived long enough.

Advantages of Trust

By means of a life insurance trust the policyholder may arrange for the disposition of his insurance estate in such a way as to retain the advantages of insurance company administration and, at the same time, permit of the specialized and involved settlements that many be provided for his general estate. This can be accomplished without the necessity of mingling his insurance moneys with his general estate, thus saving his insurance proceeds from the delays of administration, as well as effecting important tax economies.

The monthly income policy is an admirable solution for the problems of many, guaranteeing as it does fixed payments at certain periods as provided in the policy. The insurance company has, however, no powers to withhold or to increase the payment to the beneficiary or otherwise change the terms to meet an emergency.

The life insurance trust gives to the trustee as much or as little discretionary power as the insured desires. The trust company official is glad to give the insured the benefit of his experience by suggesting desirable provisions, but will, in all probability, advise that the document itself be revised and completed by the insured's solicitor.

Operations of Trust

In the case of either a funded or unfunded trust, the insurance policies are made payable to the trust company as trustee. The trust company collects the insurance money as it becomes payable, invests the fund as directed and distributes the income and principal in accordance with the terms of the trust deed. It is becoming recognized more and more generally that in many cases it is not wise for an individual to enter into an irrevocable arrangement affecting others after his death; the ordinary income may prove to be insufficient during a prolonged illness or other misfortune or during a period of unusual expense for education or otherwise. The more discretion granted by the insured to his trustees, to cope with conditions as they arise, the more likely that his family will be able to live as he would have them live.

The duty of the underwriter to his client is not finished when the policy has been delivered. All his work will react unfavorably against him if the estate which he helped create, vanishes. Men intend to leave their estates intact. Yet in the majority of cases, if they make a will at all, they put on the shoulders of those they wish to protect, new burdens far beyond the range of their experience and create needless expenses and losses. The safe and economical administration of that which insurance creates should be a very real concern on the part of every insurance underwriter.

Insurance for Buyer and Seller

COMPANY WORRIED BY NOVEL THREAT OF POLICYHOLDER

Would-be Suicide Makes Sporting Offer to Travellers Ins.

A most unusual advertisement appeared about two weeks ago in the classified advertising section of the New York Times. It was inserted by chief executives of the Travellers Insurance Co. after a consultation involving leading officials and L. Edmund Zacher, president and treasurer of the company.

The advertisement read:

STATUS—MANY MEN ARE TODAY in equally distressing financial circumstances but are making a brave fight. Buckle down and do likewise. Your moral support and affection will add more to the happiness of your family than monetary consideration so obtained. Your family would not approve of your proposal. Keep its respect. Zelevart.

The story is something like this.

Policyholder Threatens

A few days ago the company received a carbon copy of a letter from one of its policyholders who declared that a situation had developed in his affairs which left him no alternative "but to compel you, in the only possible manner, to pay my policy in full to my estate in the near future." The letter was unsigned but stated that the policy held had not been in force long enough to have a loan of sufficient value to meet present needs although it had passed the period in which the company could refuse payment because of unnatural death. It was stated that the policy was for a sum not less than $25,000 and not more than $200,000.

As an alternative to what was obviously contemplated suicide, the unknown policyholder proposed that the company might prefer, rather than pay out the full amount of the policy, to make an unsecured loan of one-third the face value for three years at 5 per cent.

Direct Negotiations Impossible

Admitting that he was making a proposal which would be unacceptable to the insurance company if it kept faith with other policyholders, the writer went on to explain:

"Negotiations are impossible and a conditioned acceptance by you (the company) would be worthless to me. But there is one chance in a million that you will see merit in the plan, and I am taking that chance."

He instructed the company to signify its acceptance of his proposal by inserting the following in the Public Notices columns of The New York Times on Saturday, July 23:

"Status — Proposal and conditions accepted. Signed: Zelevart."

Officers of the company took the policyholder's demand so seriously that they held a special meeting of leading executives to decide the course of action. They decided on publishing the answer shown above in the hope that it would divert the policyholder from his avowed purpose. Now they are awaiting anxiously the results but so far they have received no word of any suicide among policyholders. They cannot be sure, however, that they have turned the policyholder aside from his plan.

According to Mr. Zacher, the company in framing the reply, considered the matter from the humanitarian as well as the business standpoint, according to Mr. Zacher the company once

"We once had a policyholder who came in person to see us with a similar demand. We argued with him and finally persuaded him that suicide was not the wisest course. He went back to his business and finally pulled through.

"Then we had another case of that kind in which our arguments did not prevail and the policyholder committed suicide, so naturally we can't foresee what the present result will be."

Mr. Zacher said that although the insurance company realized that it stood to lose by the suicide of a policyholder there was nothing it could do in the situation because it could not legally make a loan without security.

Saskatchewan Adopts Uniform Insurance Act

Saskatchewan has adopted by order-in-council the provisions of the Automobile Insurance Acts already enacted by British Columbia, Manitoba, Ontario and Nova Scotia and which come into force on September 1, according to information received by R. Leighton Foster, Ontario Superintendent of Insurance.

It is anticipated that Alberta and New Brunswick will take similar action, thus making terms and conditions of automobile insurance policies uniform. Economies to the companies and uniformity of legal decisions are expected to result.

Western Assurance Passes Dividend on Common Stock

Western Assurance Co. has taken no action regarding the semi-annual dividend due July 2 on the common stock. The last payment, made on Jan. 2, 1932, was one of 40 cents. Common dividends paid in 1931 and 1930 were $3.20 and $2.80 respectively.

The regular dividend of $1.20 per half year has been declared and paid on the preferred stock.

Insurance Inklings

B. EKER has been appointed manager of the Montreal Western division of the Crown Life Insurance Co.

A. E. THOMAS has been appointed superintendent of the Toronto No. 1 district of the Prudential Insurance Co.

CHARLES R. BISSELL, assistant manager and actuary of the Northern Life Assurance Co., died in London, Ont., on Aug. 5 Mr. Bissell had been associated with the Northern Life Assurance Co., with the exception of five years spent in Winnipeg, since 1905, having entered the service of the company at that time as a junior clerk.

SUICIDE GRAPH BUSINESS TREND SHOW VARIANCE

Thirty-two Year Survey Reveals Many Differences

That the death rates from suicides do not invariably rise and fall with the course of business conditions is a conclusion drawn by a survey made recently in New York City by the health department of that area.

The study traces the city's suicide statistics from 1900 to 1931 inclusive, and by placing graphs representative of suicides and business conditions alongside one another it is found that while the two curves parallel each other during certain periods, this co-relation is entirely absent in others.

Thus, both in 1910-1912 and 1920-1922 when economic conditions were considerably below the average a low suicide rate was shown. Moreover, it was found that the death rates from suicide were considerably above the average, beginning in 1928, and continuing high since that time. This, despite the fact that 1928 and the greater part of 1929 were a period of great material prosperity. "We have no explanation to offer for the course of the death rate in suicide," says the health department bulletin.

Analysis of the figures shows that three times in the past 32 years the male rate has been higher than in 1931, and the female rate for last year has been exceeded also three times in the period.

Methods of suicide also change, it is noted. In 1900, 433 persons killed themselves by poison, a figure which has gradually decreased to about one-third of that figure in spite of a substantial increase in total suicides. The most popular method nowadays is by gas, over 575 persons having chosen this method of killing themselves in 1931, as against less than 100 using the same method the beginning of the century. Over 180 show death by leaping from buildings in 1931.

Suicide Rate in New York City, 1900-1931

	Males		Females	
	Deaths	Rate	Deaths	Rate
1900	578	33.80	183	10.54
1901	512	29.01	201	11.23
1902	576	31.62	196	10.63
1903	579	30.66	226	11.89
1904	639	32.92	214	10.92
1905	512	25.54	148	7.32
1906	556	26.77	151	7.23
1907	563	26.17	147	6.80
1908	771	34.56	223	9.96
1909	700	30.26	190	8.19
1910	631	26.38	194	8.10
1911	605	24.84	183	7.51
1912	602	24.29	200	8.06
1913	664	26.33	181	7.16
1914	687	26.78	248	9.64
1915	706	27.06	252	9.63
1916	587	22.14	250	9.39
1917	553	20.52	225	8.32
1918	492	17.97	232	8.44
1919	487	17.51	216	7.73
1920	460	16.28	210	7.37
1921	602	20.76	229	7.86
1922	556	18.75	233	7.83
1923	582	19.21	243	8.00
1924	601	19.41	228	7.86
1925	654	20.69	281	8.89
1926	634	19.65	270	8.37
1927	769	23.36	304	9.25
1928	836	24.90	346	10.33
1929	894	26.11	361	10.58
1930	1,036	29.70	367	10.57
1931	1,120	31.51	380	10.75

ONTARIO EQUITABLE INSURES FRATERNAL

Knights of Malta is Small Ontario Society—Formed 1870

Plans are under way for the reinsurance of the mortuary fund of Chapter General of Canada, Knights of Malta with the Ontario Equitable Life and Accident Insurance Co.

The mortuary fund of the fraternal organization shows bonds, debentures cash and other assets of $14,976 and net liabilities under assurance contracts of $13,080 leaving a surplus of $1,896.

The fraternal organization has its head office in Toronto, was organized in 1870 and incorporated in 1909. It operates under Ontario provincial supervision. H. A. Ham is president and J. B. Pugh, secretary. J. J. Sheppard is treasurer. Small funeral, extension and general funds are operated as well as the mortuary fund.

In commenting on the reinsurance proposal, L. K. File, of the Canada Life, who has made an independent audit of the fraternal's affairs, says:

"The reinsurance is to the advantage of the members of the mortuary departments of the Knights of Malta. They are to be given new certificates which will grant them as much insurance as they now have and at the same rate of premium and guarantees that this rate of premium shall not be increased.

"The amount of business now in force is small, too small to provide a basis upon which the law of mortality can operate without the danger of fluctuations which might endanger the safety of the protection intended for the member and, by having the business become part and parcel of the Ontario Equitable, this situation is met. The members obtain the protection of a life insurance company with a large paid-up capital and operating under the supervision of the Ontario department of insurance."

Taxis Must Insure in Montreal By Sept. 1

After September 1, all taxicabs and motor vehicles plying for public hire will be required to carry public liability insurance in order to operate in Montreal. The city by-law will be adopted by then, its foundation being the law adopted at the last session of the Quebec Legislature.

Provisions will be that the proprietors of every such vehicle must carry insurance of $1,000 for property damage, $5,000 to cover risks to one passenger, and $10,000 for more than one passenger. His insurance, too, must be framed so that he will be covered for accident to passengers in other automobiles in case of collision.

September 1 has already been set as the zero hour for the taxi proprietors in Montreal not now carrying the insurance. Those who do protect their passengers have protested to the City Hall against allowing others to operate their cabs, but the aldermen pointed out that the provincial law had no effect until implemented by a by-law, and September 1 was set as the date for the by-law to apply.

Northwestern National Adds Additional Type of Risk

Northwestern National Insurance Co. of Milwaukee, Wis., has been issued a certificate of registry to transact insurance against damage to property of any kind caused by the explosion of natural or other gas.

The company is already registered to transact fire, automobile and tornado insurance.

THE
ONTARIO EQUITABLE
LIFE AND ACCIDENT
INSURANCE COMPANY
Head Office — Waterloo, Ont.

Assets (Dec. 31, 1931) $ 8,125,139
Policy Reserves 6,846,054
Insurance in Force ... 51,355,672

IMPERIAL GUARANTEE AND ACCIDENT INSURANCE COMPANY
FIRE · MARINE · AUTOMOBILE · ACCIDENT · SICKNESS · BURGLARY · GUARANTEE
ESTABLISHED A.D. 1905

A man lives too long—if his old age must be spent in poverty and want.

He dies too soon—if his family is left without provision.

Endowment insurance affords protection against either of these possibilities. If the assured lives, the maturing endowment will provide an income for his later years and enable him to enjoy his leisure. If not, his family's needs will be taken care of.

Figures suited to your own particular requirements will gladly be furnished by your nearest Sun Life Representative.

SUN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE-MONTREAL

THE CANADA NATIONAL FIRE
INSURANCE COMPANY
Head Office: WINNIPEG
Toronto Office: 205 Brock Building
Walter J. Steer, Branch Manager
President, J. B. Coyne, K.C., Winnipeg, Man.
1st Vice-President, T. S. McPherson, Victoria, B.C.
2nd Vice-President, Allan S. Bond, Winnipeg, Man.
Applications for Agencies Invited

Operating in Quebec, Ontario, Manitoba, Saskatchewan,
Alberta and British Columbia
FIRE AUTOMOBILE WINDSTORM
Insurance in force over $200,000,000.00
Total Assets over 3,000,000.00
Agents required in Ontario
Write Eastern Branch, 3 Toronto St., Toronto, Ont.
THE WAWANESA MUTUAL INSURANCE CO.
Head Office—Wawanesa, Man.

NORTHWESTERN MUTUAL
FIRE ASSOCIATION
SEATTLE, WASHINGTON
HEAD OFFICE FOR CANADA: HAMILTON, ONTARIO
Writing Fire and Automobile Insurance at Cost
Assets $4,616,449.70
ALL POLICIES NON-ASSESSABLE
Paying Dividends ranging from 20% to 30%
BRANCH OFFICES:
Toronto, Ottawa, Vancouver, Victoria, Edmonton, Calgary, Saskatoon, Winnipeg, Montreal, Quebec City, Saint John, Halifax and Charlottetown

SOLID AS THE CONTINENT

At a time when people think primarily of security and when there is such vital need for protection against the future, Life Assurance is the best and in most cases the only means of securing it.

ASSETS
$46,855,113

ESTABLISHED 1881
SOLID AS THE CONTINENT
A MUTUAL COMPANY
ALL PROFITS PAID TO POLICYHOLDERS

The North American Life, a purely mutual company, returns all profits to policyholders and has $118 for every $100 liabilities. It is one of the strongest financial institutions on the Continent.

SURPLUS
$7,007,959

NORTH AMERICAN LIFE

PICTURE YOURSELF

PICTURE yourself retired and financially secure; having the time, and an income "Guaranteed for life," which would enable you to enjoy travel, golf, motoring, good books, music, gardening, entertaining —hobbies in which you have always wanted to indulge.

How to achieve that goal by avoiding the traps that claim the funds of all but five out of every hundred who expect to secure financial independence, is told in the booklet "An Income Guaranteed for Life."

The CANADA LIFE ASSURANCE COMPANY
TORONTO, ONT.

THIS BRINGS VALUABLE INFORMATION FREE!

Travel where you will — Canada Life Annuity Bond Cheques or Drafts are honored by banks the world over.

The
CANADA LIFE
ASSURANCE COMPANY,
TORONTO, ONT.

Gentlemen:

You may send a copy of your Booklet, "An Income Guaranteed for Life" to:

Name..
(Mr., Mrs., Miss)

Address..

110-F

A. J. Pattison, Jr. & Co. LIMITED
INVESTMENT BANKERS
Dealers in Unlisted Bonds and Shares
Royal Bank Bldg. (Third Floor) Toronto, 2 Elgin 5101 10 Lines

GENERAL TRUST OF CANADA
Complete Trust Service — Capital paid up $1,105,000
HON. J. M. WILSON, *President*
BEAUDRY-LEMAN *Vice-president*
HON. D. O. LESPERANCE, *Vice-president*
RENE MORIN *General Manager*
112 ST. JAMES ST. WEST · MONTREAL

PROTECTION

The Independent Order of Foresters is a fraternal benefit society operating under a lodge system and existing for the purpose of affording to men and women the completest protection at the minimum cost. This protection covers practically every phase of family life. In addition to the protection afforded through its Insurance and Sick Benefit Departments, a number of practical fraternal benefits are available to its members.

Assets — $49,000,000.00
Independent Order of Foresters
FRANK E. HAND, Supreme Chief Ranger HEAD OFFICE: TORONTO, CAN.

Expect Gold Shortage When Business Recovers

League Economists Would Supply Demand By Reducing Reserves of Central Banks

Fourth of a Series of Articles on the League of Nations' Gold Report

Anticipating that recovery from the present depression and a return to the gold standard by an important group of nations will occasion an intensified demand for monetary gold which, under the present system, will not be available, the report of the Gold Delegation of the League of Nations enumerates a number of methods under which gold might be freed for international payments without in any way injuring the credit structure of countries on the gold standard.

It is pointed out that gold coin is only in circulation in a very few countries and therefore an internal drain cannot take place except in a period of violent panic when gold might be withdrawn from the central bank for hoarding. Gold reserves are therefore primarily required only in order to meet possible deficits in the country's balance of payments.

The report points out that the present is an advantageous time, with many countries off the gold standard, to come to a mutual agreement as to the proportion of the legal minimum, and stresses the point that this reduction of the legal minimum is only advisable if a strong representative group of nations agree to take action together.

Before deciding on the extent of the gold reserve required, the report cautions each country to determine as closely as possible the amount of fluctuation in its balance of payments and to make allowance for this fluctuation in determining the amount. Agricultural countries, the report points out, must provide against the risk of crop failure or a fall in the prices of these products; and those countries where foreign banks are in the habit of keeping large liquid assets, or where there exists the possibility of large withdrawals of capital or sales of bonds or other securities, will require and should maintain a reserve adequate to meet an eventual withdrawal of these assets.

The actual amount of gold which would be freed for international payments should all countries with central banks decide to reduce the legal minimum reserve is set forth in the report. The total of the notes and sight liabilities of central banks and similar institutions (apart from those of the U.S.S.R.) amounted, at the end of 1930, to about $22,450 million, their gold reserves to $10,780 million and their legal minimum gold requirements to $7,760 million, or some 35 per cent of their sight obligations. The amount of free gold above the legal minimum requirements thus aggregated over $3,000 million.

Assuming, however, that these minimum gold requirements were lowered to correspond to an average ratio of, say, 25 per cent of the total sight obligations, the amount of free gold available for international payments would have aggregated about $5,170 million at the end of 1930, or about $5,350 million at the end of 1931.

Complete abolition of legal minimum reserve ratios is not favored by the Delegation as it is their opinion that this would have an undesirable effect on public confidence in many countries and further that it would leave the central bank and the public without any guidance as to the conduct of reserve policy.

The Gold Standard

Further saving of gold and added stability to the gold standard could be effected through a change in the working of the gold exchange standard, the report states. Under this system, countries which are too small to maintain an efficient gold standard of their own agree to redeem their currency in currency of a larger country on the gold standard and for this purpose carry a considerable amount of on sight deposit, usually in the central bank of that country. These deposits force the central banks in which they are deposited to maintain an adequate reserve of gold to meet immediate payment.

By utilizing such an international institution as the Bank of International Settlements as the agency through which the system be administered, the risk of loss and the reserves of gold required could be spread over numerous countries.

Three other proposals are set forth in the report which do not require any explanation. They may be summarized as follows:

1. That in all countries where gold is in active circulation or kept in the vaults of commercial banks, it could be withdrawn into the reserves of the central bank and replaced by notes.
2. That in all countries in which bank notes of small denominations are in circulation, these small notes should be withdrawn and replaced by subsidiary coin.
3. That in countries in which notes are largely used in payments and the transference of money from place to place, the use of cheques, post office banking facilities, etc., should be developed.

PENMANS LIMITED
General Offices: Paris, Ontario
Manufacturers of High-Grade
KNITTED UNDERWEAR, HOSIERY, and OUTERWEAR
Mills at: Paris, Brantford, London, Waterford, Ontario; Coaticook and St. Hyacinthe, Quebec
Selling Agents to the Wholesale Trade: John Gordon & Sons, Limited, Montreal and Toronto.
Selling Agents to the Retail Trade: Bryce Sales Limited, Calgary, Winnipeg, and Vancouver.
Sales Offices: Montreal, Quebec, Toronto, Ottawa, London, Hamilton, Halifax, Saint John, N.B.
Export Representatives: Great Britain and Ireland: Liddell & Mitchell, Glasgow, Scotland. Taylor & Shelmerdine, Manchester, England. W. J. Cutcliffe, London, England. A. Lowry, Belfast, Ireland.
Argentine: E. L. Clough, Buenos Aires.
Australia: Hugh Scott-Young, Melbourne, Australia.
New Zealand: H. W. Airey, Ltd., Auckland, Dunedin, Wellington.
South Africa: L. C. Carrick, Johannesburg.
Newfoundland: S. Elliott & Co., St. John's.
British West Indies: Wilson & Jonnstone, Ltd., Port-of-Spain, Trinidad. L. W. Huddle, Kingston, Jamaica.
China, Hongkong & Japan: Horn & Nobbins, Shanghai, China.
British Malaya. T. B. Rogers & Co., Ltd., Singapore, Straits Settlements.
Peru: M. E. Biber, Lima.
India: H. Maddison, Calcutta.

Prompt Deliveries

Bonds and stock certificates are often required on short notice.

Through 63 years of knowing how, you can be assured of maximum speed in the preparation and delivery of your requirements, without sacrifice of accuracy, skilled workmanship or perfection in the finished product.

BRITISH AMERICAN BANK NOTE COMPANY LIMITED
Montreal Ottawa Toronto

WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto & Curb Markets

WEEK ENDING AUGUST 8

Range 1932 High	Low	Divd. Rate in $	Yield in % Aug. 6		Sales	Close Aug. 1 (or last)	Week Ending Aug. 8 High	Low	Close
3.25	.60			Abitibi	145	1.12	1.00	1.00	1.00
10	2			Do. pref.	40	3½	3½	3½	3½
x105	80			Do. pref.					
80	80	7		Acme F. D'y, p		80			
5	4½			Agnew Surp.		5			
70	70	7	10	Do. pref.		70			
7	3½			Alta. Pac. Gr.	210	7	6½	6½	6½
35	19			Do. pref.	65	30	35	30	35
3½	1½			Amal. Electric		1½			
11	9			Do. pref.		9			
x3½	2½			Anglo. N. Hold.					
.37	.15			Asbestos		.15			
1.00	.60			Do. pref.		.60			
6	4	60c	11.4	Assoc. Brew.	235	5½	5½	4½	5½
70	65	7	10.1	Do. pref.	2	69	68	68	68
3	3			Assoc. Can.		3			
x69	65			Assoc. Tele.					
30	16			Atlan. Sugar		20½			
120	92			Do. pref.		120			
159½	127	10	7.8	Bk. Can. Nat.	25	128	128	127½	127½
225	150	10	5.0	Bk. Montreal	154	192	203	192	200
274	238	16	6.5	Bk. N. Scotia	118	245	250	245	250
193	125	10	6.1	Bk. Toronto	53	160½	165	160	165
x24	8½			Barcelona					
3	1			Bathurst Pr.	210	1	1½	1½	1½
1	¼			Do. (B)		½			
‡26	26			Bawlf Grain					
x25	20			Do. pref.					
5	4			Beath & Sons		4			
10½	3½			Beatty Bros. A		5			
60	41	6	14.6	Do. pref.		41			
3.50	.40			Beauharnois	1975	.80	.90	.75	.85
x93	55	7		Belding Cort.					
70	65	7	10.7	Do. pref.		70			
120	75	7	7.7	Bell Telephone	1024	89	93½	88	93
3½	2			Biltmore Hats		3½			
50	50	7		Do. pref.		50			
4	1½			Bissell, T. E.		1½			
‡97	88			Do. pref.					
8	2			Blue Ribbon		2½			
25	9	2	22.2	Do. pref.	40	10	10½	10	10
20	17½	2	11.1	Brant. Cd. pf.	120	18	18	18	18
14½	7½	2½		Brazilian Tr.	36614	9½	11½	9½	10½
.40	.40			Brew. & Distil.		.40			
1	¼			Brewing Corp.	30	½	1	½	1
3½	1			Do. pref.	30	1½	1½	1½	1½
11½	8½	80c	7.3	Brit. Amer. Oil	8641	10½	11½	10½	10½
1.75	.60			B.C. Packers	110	1.25	1.50	1.25	1.25
6½	4			Do. pref.	45	4	4½	4½	4½
26	15	2	8.9	B.C. Power A.	1359	21½	24	21½	24
7½	3½			Do. (B)	195	4	6	5½	5½
4	2			Bruck S. Mills		2			
20½	10	1.40	11.3	Building Prod.	110	13	14½	13	14½
32	17	2.40	8.4	Burt, F. N.	190	25½	29½	25½	29
125	120	6	5	Calgary Pr.		120			
3	1½			Canada Bread		2½			
85	82	7	8.4	Do. pref. A.		83			
25	20	2	10	Do. pref. B.	25	20	20	20	20
9	6½	1	12.5	Canada Bud	615	7½	8½	7½	8
7	2			Canada Cement	2728	5	5½	4½	5½
66	20	6.50	17.1	Do. pref.	200	39	40	35	39
b13½	6	1.20	10.6	Canada Dry	12626	10½	12½	10½	12½
6	2			Can. Forg. (A)	85	2½	2½	2	2½
7½	2			Do. (B)		7½			
x68	60	3		Canada Iron					
x80	75	6		Do. pref.					
14½	8½	1.50	12.7	Can. Malting	1140	11½	12	11½	12
15	9	80c	6.1	Can. Nor. Pr.	130	13	13	13	13
92	52½	7	9.3	Do. pref.	11	75	75	75	75
x6	⅛			Can. Paving					
x51	10½			Do. pref.					
186	135	12	8.2	Can. Perman.	8	145	147	147	147
1	⅛			Can. Pr. & Pa.					
2½	⅛			Can. Steamsh's	35	¼	¼	¼	¼
9	1			Do. pref.	115	4	4	4	4
16	9½	1.60	11.8	Can. Vinegars	440	13½	13½	13½	13½
55	28½			Can. W. Cable	5	30	30	30	30
18	4			Do. (B)		5½			
1½	1½			Can. Bakeries		1½			
14	11			Do. pref.		11½			
191	123	10	6.2	Can. Bk. Com.	126	147	161	154	161
15	9	1.25	8.3	Can. Bronze	295	14	15	15	15
102	70	7	9.3	Do. pref.		75			
5½	1½			Can. Canners	220	5½	5½	4	4
80	40	6	11.3	Do. 1st pfd.	30	52½	53	53	53
9	3½	40c	7.3	Do. 2nd pfd.	315	5½	5½	5½	5½
7½	2½	60c	10.6	Can. Car & F'y	1122	5½	6	5	6
16	10	1.75	12.3	Do. pref.	635	15	15½	14½	14½
6	3½			Can. Celanese	10	3½	4	4	4
60	42	7	12.7	Do. pref.	6	45	55	55	55
20	20	2	10	Can. Convert.		20			
‡50	45			Can. Cottons					
60	55	6		Do. pref.	10	60	55	55	55
17½	7			Can. Dredge	75	13	13	12½	13
x92	92	7		Do. pref.					
68	60	6	9.4	Can. Fairb. pf.		64			
4	3			Can. For. Inv.		3			
65	55			Do. pref.		55			
180	115	4	3.5	Can. Gen. Elec.	5	115	115	115	115
59	51½	3.50	6.7	Do. pref.	60	52	52½	52	52½
66	29	6	11.3	Can. Hyd. El. p	217	50	53½	50	53
2	½			Can. Ind. Alc.	335	1½	1½	1	1½
1.00	.30			Do. (B)	250	.75	1.00	1.00	1.00
x5.00	3.95			Can. Int. I. Tr.					
x70	64½			Do. pref.					
20	20	1		Can. Lt. & Pr.		20			
1½	1			Can. Locomo.		1			
x25	5			Do. pref.					
b1½	¼			Can. Marconi.	7900	1½	1½	1	1½
13	7	1	10.8	Canadian Oil	525	11½	12	10	12
94	84	8	8.9	Do. pref.	25	90	87	87	87
22½	8½	1.25	6.8	Can. Pacific	26628	15	18½	14½	16½
2½	1½			Can. Vickers		1½			
20½	20½			Do. pref.		20½			
2⅝	1	20c	10	Can. Wineries		2			
7⅞	4½	1	20	Can. Wire Box	60	5	5	5	5
12	7			Catelli Mac A.		7			
x5	5			Do. (B)					
x301	290	10		Cent. Can. L'n					
2.05	.50			Chem. Research	660	.91	.95	.90	.95
7.25	4.50			Cities Service		6.00			
7½	3			Cockshutt Plow	3861	6½	7	6	7
2	½			Comm. Alcohol		¾			
3½	1			Conduits		1½			
x94	84			Do. pref.					
8	3½	50c	8.5	Cons. Bakeries	652	5½	6	5	6
5	1			Cons. Indust.		2			
4				Cons. Paper		4			
15	5			Cons. Press		5			
85	30	2		Cons. Sand, pf		35			
75	25			Cons. Smelters	8153	58	73	55½	69
166	142	10	6.2	Consumers Gas	27	165	163	160	161½
‡35	30			Cooksville Co.					
‡85	85			Do. pref.					
‡90	90			Corr. P. Box, p					
3½	2½			Cosgrave Brew.	460	3	3	3	3
5	2			Cosmos Imp.		2½			
68	40	3.50	8.7	Do. pref.		40			
3	2			Crown Dom. Oil	75	2	2½	2½	2½
13	8			Crow's N. Coal		8½			
1½	1½			David & Fre. B		1½			
x12½	12½			De Havilland					
15	10			Do. pref.		10			
x9	5			Disher Steel					
x10	10	1.50		Do. pref.					
6½	3½			Distill-Seagram	395	5½	5½	5	5½
7	7			Dodge "A" pf.		7			
2	1½			Do. (B)		2			
194	125	12	8.4	Dom. Bank	70	140	145	142	145
27	9	2	10.6	Dom. Bridge	3226	18½	19	16½	19
x40	40			Dom. Coal					
22½	12			Dom. Engineer.	45	12	14	12	14
65	30	5	8.6	Dom. Glass	10	58	59	59	59
112	85	7	7.4	Do. pref.		95			
5½	1½	20c	10	Dom. Motors	140	2	3	2	3
7	3½			Dom. Pr. Stubs	25	6	5	5	5
3	1			Dom. St. & C B	3625	1½	3	1½	3
20	13	1.20†	6.3	Dom. Stores	3540	16½	19	16½	18
5	2			Dom. Tar & Ch.		2			
x95	79½			Do. pref.					
63½	39	5	9.2	Dom. Textile	155	50	54	52	54
105	70	7	7.4	Do. pref.	115	89	95	90	95
x12	10			Donnacona					
2	½			Dryden Paper	25	1	1	1	1
4	2			Duff. Paving		2			
49	28			Do. pref.		28			
20	20			East. Koot. Pr.		20			
x97	94½			Do. pref.					
16	9	1	10	East Dairies	72	9½	9½	9	9
x20	16	1		East. Steel					
x100	97	7		Do. pref.					
‡34	28½	2		East. Theatres					
‡85	80	7		Do. pref.					
x3⅝	3½			Easy Washer					
9	4½	1.50		Economic Inv.	23	6	9	5	9
x15	15			Edmonton D'y					
x80	78½	6.50		Do. pref.					
4	4			Enam. & Heat.		4			
19	6			Eng. Electric		8			
2	1½			Do. (B)		1½			
8	6	2		Fam. Players.	30	8	7	7	7
7½	7½	2		Do. Vot. Tr.		7½			
10	9			Fanny Farmer		9			
29	25	2.40	9.6	Do. pref.		25			
‡83½	75			Firstbrook Box					
16½	5½			Ford Motors A	6420	8½	10	8	9½
3½	1½			For. Pr. Secs.	25	2	1½	1½	1½
9	4			Foundation Co.		4			
1.25	.25			Fraser Cos.	75	.75	.50	.50	.50
50	50			Front. Brew.		50			
50	50			Do. pref.		50			
x8	5			Frost Steel					
x96½	85			Do. pref.					
2	½			Gen. St. Wares	735	1½	2	1½	2
82	38	5	7.1	Goodyear Tire.	195	65	70½	66	70
93½	70	7	7.8	Do. pref.	34	87	90	86	90
x93½	93½			Gould Pumps p					
4	⅛			Gt. W Saddlery		⅛			
x8	6			Do. pref.					
21	8	1.60	12.3	Gurd, Chas.	135	13½	13½	13	13
106	105	7	6.7	Do. pref.		105			
5	2			Gypsum, Lime	2165	3⅜	4½	3⅜	4
7	2			Ham. Bridge	5	5	4	4	4
60	48	6.50	13.5	Do. pref.		48			
10	6			Ham. Cot., pf.		7			
2	1½			Ham. U. Theat.		2			
58	48	7	14	Do. pref.		50			
4	2			Hayes Wheel		2			
‡95	80			Do. pref.					
‡50	50			Hillcrest Coll.					
‡91	91			Do. pref.					
2	1			Hinde & Dauch	70	1⅜	1½	1½	1½
x75	75			Holt Renfrew					
‡96½	90	7		Do. pref.					
3⅜	½			Honey Dew		1			
40	20			Do. pref.		20			
4	2			H. Smith Pap.	25	2	2	2	2
27	18			Do. pref.	45	18	18	16	18
21½	15	2	13.1	Humberstone S	5	15	15½	15½	15½
17½	6½	1	7.1	Hunt (A)	10	14	6½	6½	6½
x23½	18½	1		Do. (B)					
100	93	8	8.4	Huron & E. M.	40	93	95	95	95
x29½	28			Do. 20% pd.					
11½	4½			Hydro Electric		6			
193	130	12	8.0	Imperial Bank.	41	148	150	148	150
11½	7⅞	50c	4.5	Imperial Oil	31847	9½	11½	9½	11
9⅛	6	35+17½c	6.5	Imperial Tob.	1627	8½	8½	7⅞	8
x80	80	8		Inter. Coal, p.					
6	6			Int. Hyd. E. A.		6			

Range 1932 High	Low	Divd. Rate in $	Yield in % Aug. 6		Sales	Close Aug. 1 (or last)	Week Ending Aug. 8 High	Low	Close
97	90	7	7.8	Inter. Mill., pf.	1	90	90	90	90
77	77	6	7.8	Do. Series A.		77			
11	4			Inter. Nickel	99063	7½	9½	6½	9½
4	4			Inter. Paints		4			
b2½	⅜			Int. Pa & Pr A	2	1½	1½	1½	1½
b1	1			Do. (B)		1			
b⅝	⅜			Do. (C)		⅜			
b11	2½			Do. pref.		2½			
12½	9½	1	8.2	Inter. Pete.	5255	11½	12½	11	11½
x8	5			Inter. Power					
x78	56½			Do. pref.					
9½	2			Int. Util. (A)	25	3½	4	4	4
3	⅜			Do. (B)	300	1	1½	1½	1½
x40	40	1		Jam. Pub. Ser.					
85	85	7	8.2	Do. pref.		85			
4	2½			Kelvinator	65	2½	2½	2½	2½
90	60	7	11.7	Do. pref.		60			
7½	4			Lake of Woods	715	6½	7½	6	7
x101	82			Do. pref.					
x140	140	8		Landed Bank					
39	28	3	8.8	Laura Secord	115	35½	34	33½	34
8	1½			Lindsay, C. W.	50	1½	2	2	2
60	36	6.50	18	Do. pref.	30	37	36	36	36
10½	9	80c	7.3	Loblaw (A)	1040	10½	11½	10½	11½
10½	8	80c	8.2	Do. (B)	375	9½	10	9½	10
‡2½	2½			Loew's, London					
x25	19			MacKin. Steel					
x95	90	7		Do. pref.					
7	6½			Manitoba Pr.		7			
5	2			Maple Leaf		3			
20½	8			Do. pref.		15			
x38	30			Marcus Loew's					
60	30			Do. pref.		30			
5½	2½			Massey-Harris	7415	5	5½	4½	5½
10½	7	60c	5.7	McColl Fron.	4623	10	10½	9½	10½
60½	58	6	9.9	Do. pref.	20	60½	60½	60½	60½
x45	35			Mexican L & P					
‡25	25			Mercury Mills					
‡89	58½			Do. pref.					
x40½	40			Mitchell, J. S.					
105	105	7	6.7	Do. pref.		105			
8	3			Mitchell, Robt.	15	6½	6½	5½	5½
x1	1			Monarch Knit.					
30	20			Do. pref.	10	25	20	20	20
75	50	6	12	Montreal Cot.		50			
70	70	7	10	Do. pref.	13	70	70	70	70
2½	2½			Montreal Exhib.		2½			
11	7			Mont. Is. Pr.		7			
38	20½	1.50	4.4	Mont. L. & Pr.	9337	33½	34½	32	34
48	48	3+25		Montreal Loan		48			
47	40	3.20	8	Montreal Tele.	5	40	40	40	40
150	90	10	9.5	Mont. Trams.	20	100½	105	105	105
10	4½			Moore Corp.	600	7	7	6½	6½
93	62	7	11.2	Do. (A)	59	65	73	62	70
97	69	7	10	Do. (B)	80	70	70	70	70
‡10	10			Mt. Royal Hot.					
‡49	49			Do. pref.					
2	1	10c	10	Muirheads		1			
9	8	75c	8.3	Do. pref.		9			
24	9½	1.60	9.4	Nat. Brew.	3221	16½	17½	16½	16½
25½	25	1.75	7	Do. pref.	20	25	25	25	25
‡10	3			Nat. Brick		8			
3	3			Do. pref.					
12½	6	80c	8.2	Nat. Steel Car	2574	9	10	8½	9½
255	175	12	6.8	National Tr.		175			
10	10			Niag. W. Weav.		10			
x36	23	3		Do. pref.					
2.50	1.50			North Star Oil		1.75			
4.00	4.00	35c	8.7	Do. pref.		4.00			
‡25	25			N.S. Steel, pf.					
125	90	8	6.4	Ogilvie Flour	238	115	125	115	124
105	96	7	7	Do. pref.	51	100	100	100	100
9	4			Ont. Eq. 10% p	20	5½	4½	4	4
102	94½	6	6.3	Ontario Loan		94½			
x7	5			Ont. Silknit					
x16	13			Ont. Steel					
‡105	105	7		Do. pref.					
x1½	⅜			Orange Crush.					
45	18			Do. (A)		18			
x5½	1			Do (B)					
100	87	6	6.9	Ott. L H & Pr		87			
100	90	6.50	7.2	Do. pref.	70	90	90	90	90
x25	25			Ott. Traction					
68	35	5	9.4	Page Hersey	914	52	55½	52	55½
b11½	1½			Paramount	89300	3⅛	5⅛	3⅛	4½
x35	30			Paton Mfg.					
x94	92	7		Do. pref.					
.37	.25			Pelissiers		.25			
x30	25			Do. pref.					
28	18	3	15	Penmans	3	25	20	20	20
x101	93	6		Do. pref.					
19½	9	2	15.4	Photo Eng.	180	12½	13½	12½	13
x40	10			Port Alfred, pf					
x70	64	7		Porto Rico Pr. p					
b9	1½			Postal Tele. p.					
36½	6			Power Corp.	1525	9	10½	9	10
90	25	6	15	Do. pref.		40			
2	2			Prairie C. Oil.		2			
10	5			Pressed Metals	150	6½	6½	6½	6½
x42½	25			Price Bros.*					
x99	70			Do. pref.*					
29	9½	1.50	10.7	Quebec Power.	1685	13½	14½	13	14
x110	105	7		Real Estate L'n					
2	⅜			Regent Knit.					
7	5½			Reliance Grain	75	6⅞	7	6⅜	6⅝
12	6½	1	12.5	River. S. Mills	28	6⅞	8	8	8
12	7	1.50	20	Robinson Cone		7½			
4	1½			Rogers Majest.		2½			
167	120	10	6.5	Royal Bank	108	148	167	148	167
x84	75			Ruddy, E. L. p					
33	32½	1	3.1	Russell Motor		32½			
70	35	7	19.4	Do. pref.	20	36	48	45	48
4	3			Sarnia Br. (A)		3			
1	1			Do. (B)		1			
7	3			Serv. Sta.	585	3½	4½	4	4½
46	24			Do. pref.	15	25½	25	24	25
33	7½	1	7.8	Shawinigan	4677	14	14½	13½	14
20	7			Sher. Wms.	170	10	10	10	10
70	70	7	10	Do. pref.	20	70	70	70	70
17	5			Simon & Son	25	6	6	6	6
80	65	7		Do. pref.		65			
55½	12			Simpson, Ltd.	35	17	18	16	16
x44½	36			Do. (A)					
x35½	24½			Do. (B)					
77	62	6	8.7	Simpson, R., p		69			
25	10	1	6.2	So. Can. Pr.		16			
90	60	6	7.9	Do. pref.	11	75	76	75½	76
1.00	.45			St. Law. Corp.	170	.50	.50	.45	.50
4	1½			Do. (A)	390	1½	1½	1½	1½
12	9			St. Law. Flour		9			
85	70	7		Do. pref.	75	70	85	85	85
11	1½			St. Law. Pa. p		1⅛			
3	1½			St. Pav. & Mat.	25	1½	1½	1½	1½
46	25	2	6.8	Do. pref.		29½			
5	4	50c		Stand. Chem.		4½			
x1	1			Stanfords					
3½	1½			Stand. Steel		3			
x35	30	3		Do. pref.					
24	10½	1.75	9.2	Steel of Can.	1121	18½	20	18	19½
29	20	1.75	6.5	Do. pref.	100	26½	28	26½	27
½	½			Sterling Coal		½			
18½	9½	1	6.1	Sup. Pete. ord.	275	16	16½	16	16½
x31	14	1		Do. com.					
98	90	7	7.6	Do. pref.		92½			
42	35			Tamblyn		35			
100½	95	7	7.4	Do. pref.		95			
18	15	3.50	23.3	Thayers, pref.		15			
7	3			Tip Top Tailors		3			
67	50	7	14	Do. pref.		50			
x22	10			Tooke Bros.					
x67	48½			Do. pref.					
13	7			Tor. Elevators		10			
210	125	10	6.7	Tor. Gen. Tr.		150			
92	85	6	6.5	Toronto Mtge.		92			
x3	1			Traymore					
x12½	7			Do. pref.					
120	103	7	6.7	Tuckett Tob. p		103			
5	2			Twin City		5			
b24½	7			Do. pref.					
37	28			Do. (notes)		28			
5	1½			Union Gas	30	4	5	4	4
100	100	5	5	Union Trust		100			
x8	3			United Fuel					
15	3			Do. pref.	10	8	8	8	8
24½	18	2	11.1	United Secs.		18			
11	5			Viau Biscuit	10	5	6	5	5
75	60	7	11.7	Do. pref.		60			
12	4			Wabasso Cot.	25	7	7	7	7
5½	2½			Walker-Good.	2504	4½	5	4½	5
12	9	1	10.7	Do. pref.	1268	9½	9½	9½	9½
3½	1			Waterloo Mfg.	225	2	2½	2	2½
80	75	7		W. Koot. Pr. p		80			
8	5½			West. C. Flour		5½			
60	54	6.50	12	Do. pref.	10	60	54	54	54
11	10			West. Grocers.		11			
54	48	7	14.3	Do. pref.	2	45	49	49	49
x91	85			W. Steel Pr. p					
18½	16½	1	5.9	Weston Bisc.		16½			
70	65	7	10.4	Do. pref.		67			
10	10			Windsor Hotel		10			
38	20	3.25		Do. pref.		20			
8	2			Winnipeg Elec.	505	3½	3½	3½	3½
15	14			Do. pref.	10	15	15	15	15
x46	36			Woods Mfg. p.					

x Quotations for 1931. No sales recorded in 1932 to date.
b New York Quotations.
‡ Quotations for 1930.
† Plus 30c. extra paid Jan. 2, 1932.
§ 2% stock dividend payable Sept. 1; 2% paid June 1; 25c cash paid Mar. 1, 1932.
* Minimum price is set, below which trading is not permitted for time being; Price Bros. com. 25; pref. 70.

Winnipeg Stock Exchange

August 4, 1932

	Bid	Ask
Beaver Fire	..	115
Beaver Lumb. pfd.	..	80
Can. Amer. Tr. shs.	..	2⅞
City Dairy (Wpg.) pref. 7%	..	50
Do., pref. 8%	..	80
Corp. Steel c.	..	5
Cres.-Cream. pfd.	..	56
Home Inv. & Sav.	20	..
N. Can. Mtge. pfd.	..	15
North. Trust	..	..
Un. Gr. Growers	10	..
Traders' Bldg.	75	..
West. Breweries	1	2
Fund. Tr. shs. "A"	..	3¼
Do. "B"	..	3¼
Grouped Inc. Shs.	..	3.42

Note re Unlisted Securities

Although The Financial Post strives to obtain the closest quotations possible on the unlisted stocks and bonds in the various tables on this page and the adjoining page, the quotations are not guaranteed and no responsibility is assumed in connection with them. In inactive markets, many quotations can be little more than nominal but it is felt that even a nominal quotation giving an idea of approximate price is better than none at all.

Active Unlisted Bonds

(Furnished by A. J. Pattison, Jr. & Co., Limited)
Investment Bankers, Toronto
August 9, 1932

	Bid	Asked
Industrial Bonds:		
Abitibi P. & P. 5% 1953	21.00	25.00
Acadia Sugar 6% 1946	74.00	78.00
Alta. Pac. Grain 6% 1946	72.00	.....
American Sales Book 6% 1939	102.00	
B. A. Oil 5% 1945	87.00	91.00
Canada Biscuit 6½% 1946	21.00	26.00
Canada Bread 6% 1941	84.00	86.50
Canada Cement 5½% 1947	86.00	88.50
Can. Machinery 6% 1941	52.00	.....
Can. Steamship 6% 1941	28.00	30.50
Can. Canners 6% 1950	72.00	77.00
Can. Copper Refin. 6% 1945	90.00	.....
Can. Cottons 5% 1940	84.00	88.50
Can. Vickers 6% 1947	66.50	69.50
Davies, Wm. 6% 1942	72.50	77.00
Dom. Manufacturers 6% 1933	95.00	.....
Dom. Tar & Chemical 6% 1949	64.50	67.00
Eastern Car 6% 1952	65.00	75.00
Famous Players 6% 1948	63.00	69.00
Famous Players 6½% 1948	50.00	56.00
Federal Grain 6% 1949	72.00	.....
Firestone Tire 7% 1937	110.00	.....
Great Lakes Paper 6% 1950	15.00	17.50
Howard Smith 5½% 1953	55.00	.....
Loew's Toronto 6% (Serial)	95.00	100.00
London Realty 6½% 1950	45.00	52.00
Maple Leaf Milling 5½% 1949	56.00	62.00
Massey Harris 5% 1947	62.00	.....
McColl Frontenac 6% 1949	85.00	88.50
Metropolitan Bldg. 7% 1944	79.00	85.00
Nor. Mexico Power 7% 1933	78.00	.....
Nor. Ont. Bldg. 6½% 1939	63.00	68.00
Ont. Steel Products 6% 1943	88.00	92.00
Richmond Bay 6½% 1947	59.00	65.00
Rolland Paper 5½% 1948	56.00	.....
Simpsons Ltd. 5½% 1949	53.00	57.00
Simpsons Ltd., 6% 1949	58.50	61.50
Standard Clay Prod. 6% 1942	70.00	78.00
Steel of Canada 6% 1940	100.00	103.00
United Grain Growers 5% 1948	73.00	.....
United Grain Growers 5½% 1949	76.00	.....
Western Grain 6% 1949	65.00	.....
Public Utility Bonds:		
Bell Telephone 5% 1955	103.00	105.50
B. C. Power 5% 1960	82.00	86.00
B. C. Power 5½% 1960	88.00	92.00
B. C. Telephone 5% 1960	91.50	95.50
Calgary Power 5% 1960	83.00	87.00
Can. Northern Pwr. 5% 1953	76.00	80.00
Cedar Rapids 5% 1953	98.00	103.00
Elec. Develop. 5% 1933	110.00	.....
French Natl. Mail SS 6/52	115.50	119.50
Gatineau Pwr. 5% 1956	76.00	79.00
Inter. Power 6½% 1957	46.00	50.00
MacLaren Quebec 5½% 1961	73.00	77.00
Montreal Isl. Pwr. 5½% 1957	91.00	.....
Montreal LH&P 5% 1951	101.00	105.00
Montreal Tram. 5% 1941 July	95.00	98.00
Montreal Tram. 5% 1955	81.00	84.50
Ont. Pwr. Service 5½% 1950	65.00	69.50
Ottawa Valley Pwr. 5½% 1970	91.50	95.50
Rio Tramways 5% 1935	82.00	86.00
Shawinigan W&P 4½% 1970	65.00	.....
Shawinigan W&P 5% 1970	76.00	.....
Southern Can. Pwr. 5% 1955	86.00	91.00
West Kootenay Pwr. 5% 1956	85.00	89.00
Government Provincial & Railway		
C.N.R. 4½% 1951 Dom. Gtd.	95.25	96.50
C.N.R. 4½% 1957 Dom. Gtd.	94.75	96.25
C.N.R. 5% 1969 Dom. Gtd.	101.25	102.50
C.P.R. 6% 1942	94.00	97.50
Dom. of Can. 5% 1941	100.25	101.25
G.T.P. 3% 1962 Dom. Gtd.	73.00	75.00
Ont. Hydro 4% 1939 Ont. Gtd.	96.50	.....
Prov. of N. B. 5½% 1950	99.00	100.25
Prov. of Ontario 5% 1948	98.75	100.25
Prov. of Ontario 5½% 1947	102.00	103.25

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited)
Investment Bankers—Toronto
August 9, 1932

Industrial Stocks:	Bid	Asked
Acadia Sugar c.	.45	.80
Acadia Sugar pf.	2.40	2.90
Acme Farmers Dairy pfd.	60.50	66.00
Agnew Surpass pf.	55.00	60.00
Allens Lond. pf.	28.50	....
Allens Toronto pfd.	13.00	....
Andian Nat. Corp.	20.50	23.50
Can. & Dom. Sugar c.	16.50	17.50
Can. Mach. c.	2.75	4.80
Can. Mach. pfd.	20.00	25.00
Can. Packers c.	8.00	10.00
Can. Packers 7% pfd.	51.00	....
Can. Starch pfd.	64.00	68.00
Can. Tea, pfd.	....	56.00
Can. Wire & Cable pfd. W.W.	70.50	72.00
Can. Industries c. "A"	64.00	70.00
Can. Industries c. "B"	58.00	64.00
Can. Industries 7% pfd.	98.50	100.00
Can. Westing.	37.00	40.00
Chase, A. W. Units	26.00	28.00
Claude Neon Gen. Adv. c.	1.75	3.00
Claude Neon Gen. Adv. Units	22.00	25.00
Crescent Creameries pfd.	55.50	60.00
Dodge Mfg. "B" com.	1.10	....
Dodge Mfg. "A" pfd.	5.25	....
Dom. Foundries & Steel c.	5.00	6.50
Dom. Foundries & Steel pfd.	69.00	....
Dom. Mfrs. pfd.	66.50	70.00
Dunlop Tire 7% pfd.	38.00	40.00
Eastern Car 6% pfd.	32.00	....
Eastern Dairies Ltd. pfd.	59.00	63.00
Edmonton Stockyards Units	49.00	52.00
Fed. Grain pfd.	24.00	28.00
Goderich Elevator & Transit	10.00	10.75
Greening Wire 7% pfd.	64.50	73.00
Guardian Rlty. pf.	15.00	25.00
Guelph Carpet pfd. bonus c.	68.50	74.00
Inter City Bak. c.	40.00	42.50
Inter. Proprietaries "A"	24.00	24.75
Langleys pfd.	....	40.00
Loew's London c.	....	.50
Loew's London pf.	2.60	3.10
Massey Harris pf.	14.00	14.75
Morrow Screw Nut 7% pfd.	89.00	97.00
Mount Royal Hotel com.	.55	1.10
Mount Royal Hotel 6% pfd.	5.00	7.25
Nat. Grocers c.	1.00	2.00
Nat. Grocers 2nd pfd.	27.00	30.50
Neilson, Wm., c.	3.50	....
Price Bros. c.	4.00	....
Prov. Paper pfd.	30.50	40.00
Reliance Grain pf.	48.50	53.00
Rolland Paper pfd. W.W.	19.00	28.00
Standard Clay Products c.	21.00	27.00
Standard Fuel pfd. bonus	50.50	58.00
Supertest Petroleum "B" pfd.	14.75	20.00
Toronto Brick pf.	....	36.00
Toronto Carpet c.	....	94.00
Toronto Carpet 8% pfd.	....	90.00
Toronto Elevators 7% pfd.	66.50	70.00
Toronto Housing com.	20.50	30.00
Un. Amuse. "A"	15.50	18.00
Western Grain pfd. bonus c.	16.50	18.75
Willards Chocolates pfd.	....	21.50

Insurance Stocks:	Bid	Asked
Canada Life Ass.	....	335.00
Canada Natl. Fire	13.00	15.00
Can. Fire Ins.	67.50	74.00
Capital Life 20% pd.	10.00	15.00
Confederation Life 20% pd.	132.00	142.00
Continental Life 20% pd.	41.00	50.00
Crown Life Ins.	75.00	....
Dominion Fire	82.00	95.00
Dom. Life 50% pd.	230.00	285.00
Dom. of Can. Gen. Ins.	....	141.00
Empire Life 15% pd.	5.50	8.50
Excelsior Life 30% pd.	70.00	78.50
Fidelity Ins. of Canada	....	70.50
Gt. West Life	220.00	250.00
Guarantee Co. of N. A.	210.00	270.00
Halifax Fire	10.50	11.50
Imperial Life	240.00	290.00
Mfrs. Life	220.00	255.00
Monarch Life 10% pd.	17.50	19.50
Nat. Life 25% pd.	71.00	78.00
Saskatchewan Life 10% pd.	11.50	15.00
Sovereign Life 25% pd.	15.00	20.00
Sun Life Assur.	385.00	425.00
Western Assur. c.	15.00	17.50
Western Life 20% pd.	7.50	12.00
Trust & Loan Stocks:		
Br. Mtg. & Trust	145.00	155.00
Can. Gen. Investments Ltd.	2.50	3.35
Chartered Trust	61.00	69.00
Deb. & Sec. pfd.	....	36.00
Eastern Can. Sav. & Loan	101.00	110.00
Eastern Trust	114.00	140.00
Guelph & Ont. Inv. Par $50	45.00	50.50
Investment Foundation Units	13.00	19.00
Lambton Loan & Savings	54.00	64.00
London & Western Trust	82.50	90.00
Mtge. Disc. pfd.	2.00	3.00
Mutual Fin. pfd.	....	2.50
Mutual Fin. c.	....	2.50
Northern Trust	....	23.25
Premier Trust	82.50	87.00
Provincial Bank	97.00	101.00
Sec. Loan & Sav.	94.50	99.00
Sherbrooke Trust	90.00	100.00
Sterling Trust	59.00	65.00
Traders Fin. c.	....	1.00
Traders Fin. pfd.	11.50	19.50
Trusts & Guar.	41.50	46.00
Victoria Trust & Savings	170.00	....
Waterloo Trust & Savings	101.50	111.00
Power Issues:		
B.C. Elect. Pwr. & Gas pfd.	92.00	95.00
Calgary Pwr. pfd.	66.00	69.00
Can. Light & Pwr. com.	12.50	16.50
Can. West. Nat. Gas LH&P c.	18.00	23.00
Can. West Nat. Gas LH&P pfd.	69.00	72.00
Great Lakes Pwr. pfd.	....	65.00
Maritime Tel. & Tel. pfd.	10.00	11.00
Maritime Tel. & Tel. c.	9.00	10.00
N.B. Pwr. 1st pf.	....	48.00
N.B. Tel. c.	6.00	9.00
N.S. L&P pfd.	42.00	52.00
Ottawa LH&P pf.	78.50	....
Recent London Quotations:		
Brewer Distillers		2s. 6d.
Can. & For. Sec.		5s.
Can. West. Lumber		1s.
Hudson's Bay		17s. 6d.
Do., 5%		57s. 6d.
Internat. Holdings		$¾
Nfld. Pr. & Pap. deb. stock "B"		99½
Trust & Loan of Can.		1s. 10½

Winnipeg Grain Prices

Week to August 9

Crop Year from Aug. 14 High	Low		Open Aug. 3	High for week	Low for week	Close Aug. 9
		Wheat				
.72½	.55½	Oct.	.57	.62½	.56⅝	.60
.66⅞	.56⅛	Dec.	.57½	.63⅝	.57½	.61½
.67⅝	.62	May	.62½	.67⅝	.62	.65½
		Oats				
.35½	.26⅞	Oct.	.27½	.30	.26⅞	.28⅞
.29⅝	.26½	Dec.	.27½	.28⅞	.27⅛	.28⅛
		Barley				
.43½	.31⅞	Oct.	.31⅞	.34⅞	.31⅞	.33⅞
.35⅝	.31⅝	Dec.	.32½	.34⅞	.32⅛	.34½
		Flax				
1.09½	.66½	Oct.	.69¾	.75¾	.69¾	.72½
.78⅞	.68⅞	Dec.	.71¼	.77¼	.71¼	.74½
		Rye				
.55⅞	.33¼	Oct.	.33¾	.38	.33¾	.36½
.40⅝	.34½	Dec.	.35	.39⅝	.35	.38½
.42⅞	.40⅞	May	.41	.42⅞	.40⅞	.42

Canadian Bonded Grain in U. S.

Quotations on New York Produce Exchange, Basis Bufalo

Week to August 9

High 1932	Low	Wheat	Close Aug. 2	High for week	Low for week	Close Aug. 9
.66½	.50⅝	Oct.	.56	.56½	.52½	.55
.59½	.54⅛	Dec.	.57	.59½	.54⅛	.57½

Listed Bond Quotations

Week Ending August 8

Montreal	Int. Rate	Due	Yield	Latest Bid	High	Low	Range, 1932 High	Low
Abitibi, 1st mtge.	5	1953	...	...	...	...	46	19½
Asbestos	5	1942	...	...	...	...	65½	49
Do., 1st mtge.	6	1941	...	...	...	...	*20	14
Do., gen. mtge.	6	1956	...	...	...	...	*9	...
Can. Cons. Rub.	6	1946	...	...	...	...	*69½	...
Can. Cottons	5	1940	...	...	...	...	*91	90
Can. Forgings	6	1942	...	...	...	...	*100	...
Can. Locomotive	6	1951	...	...	...	...	‡96	...
Can. Pr. (Laur.)	5½	1958	...	...	...	...	7	5
Do. (Way. Ser.)	5½	1958	...	†6½	...	...	*28½	5⅞
Can. S. S. debs.	5	1943	...	...	...	...	‡98½	...
Cedars Rapids	5	1953	5.23	†100	...	...	100	95
Dom. Canners	6	1940	...	...	...	...	‡103	...
Dominion Coal	5	1940	...	†98½	...	...	*98½	95
McNish	6	1948	...	1.25	...	...	1.25	...
Mex. L & Pr.	5	*1940	...	...	...	...	*73½	70½
Mont. L.H.&P. deb.	3	1939	...	...	...	...	40½	35
Mont. Tr. 1st mtge.	5	1941	5.84	...	89⅞	89⅞	94½	91
Mont. Trams. "A"	5	1955	6.82	81½	...	...	80½	69½
Do. G. & Ref. "B"	5	1955	7.45	81½	...	...	79½	78½
Do., "C"	4½	1955	...	...	...	...	*85	84
Do., "D"	5	1955	6.62	81½	...	...	81	78
N. S. Steel	5	1959	...	...	...	...	*62½	59
Ontario Steel	6	1943	5.94	...	...	...	100½	...
Porto R. Pr.	5	1936	...	90	...	...	*93	88
Steel of Canada	6	1940	5.90	100⅞	...	...	102½	100½
Wayagamack	6	1951	...	†41	...	...	*75	45
Winnipeg Elec.	5	1935	...	85	...	...	*99½	98½
Toronto								
Canada Bread	6	1941	...	...	...	...	*101½	100
Steel of Canada	6	1940	5.60	...	...	...	102⅝	...
Dominion Govt. Bonds (Montreal)								
War Loan	5	1937	2.50				107.00	105.00
Victory Loan	5½	1933	4.40	101.55	....	....	101.55	100.25
Do.	5½	1934	4.70	101.50	....	....	101.60	99.25
Do.	5½	1937	3.77	....	....	....	108.15	104.00
Do., refund	4½	1940	4.92	97.25	....	....	97.25	91.50
Do., refund	5	1943	5.03	....	....	....	99.75	95.38
Do., refund	4½	1944	4.99	....	....	....	92.25	89.50
Do., refund	4½	1946	4.96	....	....	....	92.25	91.50
Conversion Loan	4½	1956	5.11	....	....	....	91.50	88.25
Do.	4½	1957	5.37	....	....	....	90.50	88.00
Do.	4½	1958	4.98	....	....	....	93.00	88.50
Do.	4½	1959	4.75	96.37	....	....	96.37	89.00
Nat. Service Loan	5	1936	4.93	100.25	....	....	100.25	96.25
Do.	5	1941	4.93	100.50	100.15	....	100.50	95.00

†Latest ask.
‡Quotations for 1930. *For 1931. None recorded in 1932 to date.

Active Provincial and Municipal Bonds

Quotations furnished by A. E. Ames & Co. Limited
Canada Permanent Bldg., Toronto, Ontario
August 9, 1932

Provinces:	Rate	Actual Maturity	Next Int. Date	Approx. Price	Approx. Yield %
*Alberta	4½	1 Oct., 1958	1 Oct.	85.00	5.60
Alberta	5	1 July, 1943	1 Jan.	92.00	6.00
Alberta	6	1 Mar., 1947	1 Sept.	100.00	6.00
*British Columbia	4½	1 Oct., 1953	1 Oct.	86.90	5.55
*British Columbia	5	15 Jan., 1948	15 July	94.20	5.55
British Columbia	6	15 Feb., 1947	15 Aug.	101.50	5.85
Manitoba	4	1 July, 1947	1 Jan.	81.00	5.92
*Manitoba	5	2 Dec., 1959	2 Dec.	95.00	5.35
Manitoba	6	1 Apr., 1947	1 Oct.	100.00	6.00
*New Brunswick	4	1 June, 1948	1 Dec.	89.05	5.00
*New Brunswick	4½	15 June, 1936	15 Dec.	99.10	5.00
New Brunswick	5½	1 May, 1950	1 Nov.	100.00	5.50
*Nova Scotia	4½	15 Nov., 1948	15 Nov.	94.45	5.00
Nova Scotia	5	1 May, 1943	1 Nov.	98.35	5.40
*Ontario	4½	1 Sep., 1944	1 Sept.	97.50	4.75
Ontario	5	15 Oct., 1948	15 Oct.	100.00	5.00
Ontario	5½	1 Feb., 1947	1 Feb.	102.50	5.25
P. E. I.	4	1 Apr., 1939	1 Oct.	90.05	5.75
P. E. I.	6	1 May, 1947	1 Nov.	102.50	5.75
*Quebec	4½	1 May, 1961	1 Nov.	100.00	4.25
Saskatchewan	4½	1 Oct., 1944	1 Oct.	86.00	6.10
Saskatchewan	5	1 Oct., 1950	1 Oct.	87.65	6.13
Saskatchewan	6	15 Mar., 1952	15 Sept.	98.50	6.12
Cities					
*Montreal	5	1 Sep., 1963	1 Sept.	102.40	4.85
*Toronto	4½	1 Jan., 1955	1 Dec.	95.26	4.85
*Vancouver	5	15 Jan., 1970	15 July	88.50	5.75
Winnipeg	5	1 Mar., 1944	1 Sept.	90.75	6.10
*Edmonton	5½	1 Apr., 1947	1 Oct.	88.35	6.75
Calgary	5	1 Jan., 1943	1 Jan.	85.30	7.00
Halifax	6	1 July, 1951	1 Jan.	102.80	5.75
Saint John	5	15 Dec., 1950	15 Dec.	91.50	5.75
Regina	4½	1 July, 1950	1 Jan.	74.65	7.00
Victoria	5	21 July, 1945	21 July	86.95	6.50
Quebec	5	1 June, 1948	1 Dec.	100.00	5.00
*Newfoundland	5	31 Dec., 1952	31 Dec.	70.00	8.60
*Newfoundland	5½	1 July, 1939	1 Jan.	73.50	11.05
*Newfoundland	6½	30 June, 1936	30 Dec.	79.00	12.20

*New York payment.

Dividends Declared

	Annual rate	Amt. this payment	Date payable	Date of record
Agnew Surpass, pref.	7%	1¾%	Oct. 1	Sept. 15
Banque Can. Nationale	10%	2½%	Sept. 1	Aug. 15
Bank of Toronto	10%	2½%	Sept. 1	Aug. 15
Bank of Montreal	10%	2½%	Sept. 1	July 30
Belding Corticelli, pref.	7%	1¾%	Sept. 15	Aug. 31
Bordens	$2	50c	Sept. 1	Aug. 15
Brazilian Tr., ord.	...	2% stk.	Sept. 1	July 30
Can. Wire & Cable pref.	6½%	1⅝%	Sept. 15	Aug. 31
Canadian Car c.	60c	15c	Aug. 30	Aug. 15
Can. Converters	$2	50c	Aug. 15	July 31
Can. Hydro-Electric, pfd.	6%	1½%	Sept. 1	Aug. 1
Can. Pacific Ry. pf.	4%	2%	Oct. 1	Sept. 1
Can. Silk Products "A"	$1.50	37½c	Aug. 31	Aug. 15
Coniaurum Mines	...	5c	Aug. 15	Aug. 1
Cosmos Imperial, pfd.	$3.50	87½c	Aug. 15	July 30
Can. Bank of Commerce	10%	2½%	Sept. 1	July 31
Canadian Oil	$1	25c	Aug. 15	Aug. 1
Do., pref.	$8	$2	Oct. 1	Sept. 20
Consolidated Sand, pfd.	$2	50c	Aug. 15	July 30
Canada Bread, "B" pfd.	$2	50c	Sept. 1	Aug. 15
Dominion Bridge	$2	50c.	Aug. 15	July 30
Do.	..	50c.	Nov. 15	Oct. 31
Eastern Theatres, com.	$2	50c	Sept. 1	July 31
Hollinger Cons.	65c	5c	Aug. 11	July 28
Imperial Oil (coupon 34)	50c	12½c	Sept. 1	Aug. 15
Inter. Milling pref.	7%	1¾%	Sept. 1	Aug. 20
Do., pref. "A"	6%	1½%	Sept. 1	Aug. 20
Kelvinator, pref.	7%	1¾%	Aug. 15	Aug. 5
Lindsay, C. W., pfd.	6½%	1⅝%	Sept. 15	Aug. 15
Loblaw "A" & "B"	80c	20c	Sept. 1	Aug. 12
McIntyre Mines	$1	25c	Sept. 1	Aug. 2
Do., extra	...	12½c	Sept. 1	Aug. 2
McColl Frontenac, c.	60c	15c	Sept. 15	Aug. 15
Montreal Loan & Mtge.	12%	3%	Sept. 15	Aug. 31
Nova Scotia L. & P. pfd.	6%	1½%	Sept. 1	Aug. 16
Ontario Steel, pref.	7%	1¾%	Aug. 15	July 30
Penmans	$3	75c	Aug. 15	Aug. 5
Quebec Power	$1.50	37½c	Aug. 15	July 21
Royal Bank	10%	2½%	Sept. 1	July 31
Rolland Paper, pfd.	6%	1½%	Sept. 1	Aug. 15
Simon, H. & Sons, pref.	7%	1¾%	Sept. 1	Aug. 20
Southern Can. Power com.	$1	25c	Aug. 15	July 30
Shawinigan W. & Pr.	$1	25c	Aug. 15	July 21
Standard Steel "A" pfd.	$3	75c	Oct. 1	Sept. 15
Standard Paving, pfd.	$2	50c	Aug. 15	July 30

Dividends Passed or Deferred:

Power Corp., com. Aug. 20, passed. Last paid 50c. May 20, 1932.

Foundation Co. com. Aug. 14 passed. Last paid 12½c. May 14, 1932.

Foreign Power Secs. pref. Aug. 15, deferred. Last paid $1.50 May 16, 1932.

Langley's, pref. Aug. 15, passed. Last paid 1¾% May, 16, 1932.

Canada Wire & Cable "A," com. Sept. 15, passed. Last paid $1 June 15, 1932.

Claude Neon General Advertising, pref, Aug. 1, deferred. Last paid $2.33 May 2, 1932.

Canadian Pacific Railway, semi-annual common, due Oct. 1, 1932, deferred until full year's earnings are known. Last payment 31¼c. on quarterly basis, April 1, 1932.

Dividend Rate Reduced:

Bordens c. 50c. Sept. 1. Reduced from $3 to $2 per annum.

Cosmos Imperial, pref. 87½c. Aug. 15. Reduced from 7% to 3½% per annum.

Dominion Bridge 50c. Aug. 15. Reduced from $2.50 to $2 per annum.

Royal Bank 2½% Sept. 1. Reduced from 12% to 10% per annum.

Bank of Montreal 2½% Sept. 1. Reduced from 12% to 10% per annum.

Bank of Toronto 2½% Sept. 1. Reduced from 12% to 10% per annum.

Can. Bank of Commerce 2½% Sept. 1. Reduced from 12% to 10% per annum.

Consolidated Sand, pfd. 50c. Aug. 15. Reduced from $4 to $2 per annum.

Standard Paving & Materials, pfd., 50c. Aug. 15. Reduced from $4 to $2 per annum.

Extra Dividends:

McIntyre Mines 12½c Sept. 1.

Foreign Exchange

	New York Funds High (Premium) %	Low %	Last Year High (Premium) %	Low %
August 3	15 1-8	14 7-8	.....	.....
August 4	14 15-16	14 3-4	13-64	5-32
August 5	14 3-4	14 5-8	9-32	7-32
August 6	14 5-8	14 7-16	5-16	1-4
August 8	14 1-2	14 1-4	21-64	5-16
August 9	15	14 1-4	.....	.....

STERLING, FRANCS AND LIRE

(Close Demand in New York)

	Sterling	Francs	Lire
August 3	3.51 3-8	3.91 7-8	5.10 1-2
August 4	3.48 7-8	3.91 3-8	5.09 3-4
August 5	3.46 1-8	3.91 3-8	5.10 1-4
August 6	3.45 1-8	3.91 1-4	5.10 3-4
August 8	3.46 1-8	3.91	5.11 1-8
August 9	3.45 3-4	3.91 5-8	5.10 3-4

FOREIGN EXCHANGE

(Close Demand in Toronto)

Par		July 26	Aug. 2	Aug. 9
5.26	Italian	5.83½	5.86	5.87½
23.80	German	27.16	27.34½	27.36½
13.90	Belgian	15.84	15.93	15.93
49.80	Japanese	31.83	31.62	30.48

Ottawa and Provinces Encourage Spending

Municipalities Inveigled Into New Schemes and Then Left Holding Bag—Let's Kill Pap Habit

By VICTOR LAURISTON

The habit now prevalent of federal and provincial governments making grants to municipalities, contingent upon certain investments being made by the municipalities, encourages extravagance, it was contended by Mr. Lauriston in an article in The Financial Post last week. Mr. Lauriston continues this week with further examples of grants that have encouraged local governments to spend money where they would otherwise have been more thrifty.

The situation is bad enough where the federal or provincial government concerned continues the full measure of assistance to the municipality: for its "encouragement" has established a new lot of upkeep costs for the municipal taxpayer. But what about the case where the government "gets out from under?"

The subject of cadet training has been much debated. I merely cite the experience of one Ontario city.

For many years cadet training has been encouraged by three classes of government handouts. The province granted $50 for each school having a cadet corps, payable to the board of education. The federal government granted so much per cadet to the member of the teaching staff training the cadet corps. Finally, the federal government made a further grant, payable to the board, of $1.25 for each cadet in uniform who turned out for inspection.

Buying Uniforms

Inspecting officers and local supervisors were diligent in urging this board to buy uniforms. At $1.25 per uniform per year, it was argued, the uniforms would ultimately pay for themselves.

A few years ago the board was persuaded to spend approximately $1,400 for 100 uniforms for its collegiate institute cadets. For two years the corps turned out in uniform and the grant was duly paid.

In 1931 the official drive for uniforms for the technical school cadets came to a peak. Inspection was a few weeks away. The price of uniforms was down. The 100 could be bought for about $875. The board would get back $125 immediately.

The board was reluctant. Times were hard. What if the government discontinued the grant?

"Pshaw!" they were told. "Whatever estimates are cut, those of the department of national defense are sacred."

The uniforms were bought. The cadets turned out for inspection. Within a short time came the tragic announcement: "No grants will be *paid this* year to cadets in uniform."

In other words, the government got out from under and the municipality was left holding the bag to the tune of $2,000.

"Encouragement" Unwelcome

Provincial and federal authorities, who claim that local municipalities are extravagant, do not understand municipal psychology. With rare exceptions, municipal authorities, and especially municipal taxpayers, are reluctant to undertake new financial ventures. They measure with eminently Scottish eyes and minds the immediate capital outlay, the ultimate and enduring expenditure for upkeep, and the effect on the tax rate.

Even in lavish times, both rural and urban folk, who by their silence consented to generous federal and provincial expenditures, regarded new municipal outlays with a jealous eye. A great deal of coaxing and persuasion was sometimes necessary before the local administrations would consent to be "assisted."

The supreme case happened some years ago in a province that shall be nameless, and in a provincial constituency that shall also be nameless. The government in that particular province had an aggressive highway policy, assisting provincial highways, in the building of which the province took the initiative; and also county highways, where the initiative lay with the county.

A provincial election came along. The government candidate in this constituency was having unexpectedly and perhaps undeservedly hard sledding. The sledding was especially hard in his opponent's end of the constituency, due partly to the fact that the main travelled highway in that particular area was mostly bottomless mud.

Promised Highway

In an incautious moment the government candidate declared that if elected he would see that this highway was paved.

He was elected.

Then a difficulty arose. The highway was a county highway. That meant the initiative in regard to paving rested with the county. And the province, with a stock market crash echoing in its ears, wasn't anxious to pay the lion's share of the cost by creating yet another provincial road.

The highway department gently suggested that the county take the initiative. The county refused. The highway department reminded the county that substantial government assistance would be available even for a county road if the pavement were laid. Still the farmers were obdurate.

A county council session came, with more coaxing and cajoling, yet it ended with no action.

Then the provincial authorities began to let drop dark hints as to what might happen to other government assisted undertakings; supplemented by helpful suggestions in regard to carrying the entire debt for a period sufficient to make the liquidation easy, with, of course, the normal measure of government assistance.

A special county council session acrimoniously debated the subject. Ultimately, having driven the hardest bargain it could, the council, by a narrow majority vote, agreed to undertake the pavement and allow the government to cram about $100,000 of "assistance" down its throat.

All cases of government "assistance" are not as extreme as that one. All municipalities are not as reluctant as that one. But in probably the majority of cases, municipal authorities have gazed askance at propositions to assist this, that or the other new undertaking, conditional on the municipality contributing to capital cost and upkeep and (as the results in some cases have proved) taking the chance on holding the bag.

A characteristic of these government benefactions is that they aren't available when help is really needed. For instance, some years ago the Ontario government established grants to rural schools on the basis of the salaries paid the teachers. The purpose was to secure better salaries; and the grants were so fixed that a school section paying $1,000 had to raise less money from its ratepayers than one paying only $800.

This was when times were good and farmers, unharassed by adversity, were disposed to be generous to teachers. But in 1931, when times were bad and every rural section was talking economy with a capital "E," the government chose the psychological moment to place the grants on a totally different basis. Instantly the props were knocked from under the teaching profession, and salaries slumped. These benefactions are usually available when we don't need them and missing when they might be a real help. They serve only to establish, very temporarily, a false basis of reckoning.

Let's Kill Pap Habit

Despite the reluctance of most municipalities to undertake new things, there has developed a counter tendency that is disquieting.

Most people regard government assistance as heaven-sent manna. Until recently, the superstition was Dominion-wide that nobody had to put up the money the government handed out so freely and in gratitude for which we voted for the government—unless, that is, the opposition promised us something better.

Bonuses to this, that or the other industry; bonuses to this, that or the other organization; bonuses to municipalities to establish this, that or the other rate-boosting enterprise — how much governments have thus spent in recent decades is past computation. The few instances cited are merely small samples of pap-imparting activities, many of them far more extensive.

The result has been the development in a large proportion of the public of a pap-seeking habit. If a group of men find their industrial, agricultural or business activity on the wane, they want a bonus. If another group are planning to start something, they want a bonus. If a municipality wants to build a bridge or dig a drain, it pleads for a handout from the bottomless government chest of gold-pieces. And if the handout isn't forthcoming, there's nothing doing. Government "encouragement," so called, has replaced private initiative.

Macaulay's Policy

There is only one sound basis of business or government. It is simple. Whoso pays the piper should call the tune. Whoso calls the tune should pay the piper. If we had stuck to that principle, we might lack a lot of expensive things we now have. But instead of being stripped for income tax, gasoline tax, surtax, supertax, stamp taxes of one sort or another, nuisance taxes without end, we would be money in pocket and able to buy the few essentials we really do need.

Nearly a century ago Lord Macaulay wrote it for his day and generation, but it is just as applicable to ours:

> "Our rulers will best promote the improvement of the people by strictly confining themselves to their own legitimate duties—leaving capital to find its most lucrative course, commodities their fair prices, industry and intelligence their natural reward, idleness and folly their natural punishment—by maintaining peace, by defending property, by diminishing the price of law and by observing strict economy in every department of the state.
>
> "Let the government do this—the people will assuredly do the rest."

COMM. CREDIT CO. HALF-YEAR NET OFF

Common Earnings Drop From $2.03 to 79 Cents Per Share

Consolidated operations of Commercial Credit Co., and subsidiaries with which Continental Guaranty Corp. of Canada is affiliated, for the six months ended June 30, 1932, show net income of $1,348,970. After payment of all dividends on preferred and preference shares, this was at the annual rate of 79 cents per share on the outstanding common stock This compares with net income of $2,075,188 for the same period of 1931 which was at the annual rate of $2.03 per share on the common stock.

Interest and discount charges were earned 1.91 times as compared with 2.20 times for the same period of 1931. Dividends on the company's 6½ per cent and 7 per cent first preferred stocks were earned 3.44 times, and on the Class A $3 convertible stock 2.16 times as compared with 4.89 times and 3.68 times, respectively, for 1931.

Operating expenses other than interest were at a lower ratio on average money employed than for the corresponding period of 1931, although the average money employed was substantially less.

Winnipeg Sewage Plant

The City of Winnipeg's engineers' department is gathering data with a view to the construction of a sewage disposal plant for greater Winnipeg.

Canadian Industries Ltd. Not Building in Hamilton

From Our Own Correspondent

MONTREAL—Contrary to an earlier report Canadian Industries Ltd. has not let a contract to Anglin Norcross (Ontario) Ltd. for the construction of a plant in Hamilton to produce liquid sulphur dioxide from gases of low concentration on a commercial scale.

Earlier in the year Canadian Industries announced that it had constructed an experimental plant at Hamilton, where they duplicated conditions found at plants producing sulphur dioxide gases of low concentration as a waste product. This experimental plant was the development of a new method whereby sulphur dioxide may be separated from the waste gases and liquified. The experimental plant proved successful and is now supplying a portion of Canada's requirements for liquid sulphur dioxide.

At the time of the announcement it was said that Canadian Industries was considering the erection of a plant to produce this product on a large scale, but, as mentioned above, no action has been taken to date.

I. C. C. to Issue Report on Newsprint Freight Rate

From Our Own Correspondent

MONTREAL—American press despatches state that a revised basis of rates on newsprint paper throughout eastern, southern and western trunk line territory will be proposed in the forthcoming report of the Interstate Commerce Commission examiners. The report is expected shortly and will overhaul rates on this traffic from producing points in the northwest and in Michigan, Wisconsin and Minnesota, including the United States haul on Canadian shipments.

Proceedings were instituted several years ago upon filing of numerous protests against high rates. Hearings closed in 1930, but no report has been made.

Radio Licenses Issued Increase in Number

At the end of March, 1932, there were 598,358 licensed radio receiving sets in the Dominion, an increase of 75,258 over the number recorded on March 31, 1930, the end of the fiscal year.

The Province of Ontario has the largest number of radio sets, with 285,048. Quebec is next with 127,804, followed by British Columbia with 55,534; Manitoba with 35,262; Saskatchewan with 31,487; Alberta with 27,481; Nova Scotia with 21,109; New Brunswick with 13,256 and Prince Edward Island with 1,189. The Northwest Territories are credited with 188 sets.

Among the cities Toronto, with a population of 631,207, has 86,454 sets, while Montreal, with a population of 818,577 has 76,160 sets.

Weather Has Been Ideal For Ont. Tobacco Growers

Reports from the tobacco growing counties of Ontario indicate that the weather this summer has been ideal for this plant, plenty of rainfall and sunshine giving the best showing in years.

Acreage in some districts is reduced, farmers concentrating on better types and quality of tobacco. High winds have done some damage in fields where the soil is light but taken all over the farmers are well satisfied.

1932 Canada Year Book Ready for Distribution

Publication of the 1932 edition of the Canada Year Book is announced by the General Statistics Branch of the Dominion Bureau of Statistics. The Canada Year Book is the official statistical annual dealing with the natural resources, history and social and economic conditions of the Dominion.

The 1932 edition contains data resulting from the 1931 census as well as the usual information brought up to the date of going to press.

Individuals can obtain the Year Book from the King's Printer, Ottawa, at a cost of $1.50. By a special concession, however, university students needing the volume in their work, teachers and ministers of religion, may purchase the volume at the nominal price of 50 cents.

East Kootenay Gets Extension

VANCOUVER — East Kootenay Power Company, which holds two certificates approving its undertaking for diversion of 1,000 cubic feet of water per second from Elk River at Phillips Canyon for generation of electrical energy and the storage of 35,000 acre feet of water in the channel of that river, has been granted an extension of time for commencement work fixed in the certificates dated Sept. 28, 1928, and May 19, 1930, to June 30, 1935.

Mining Stock Quotations

Week Ending August 8.

Par Val.	Range 1932 High	Low	Company	Sales	Close Aug. 1 (or last)	High for week	Low for week	Close Aug. 8
1	.05½	.03	Abana	1,500	.03	.05	.05	.05
1	.02	.00½	Aconda	......	.00½	.....	.....	.....
No	.16	.11	Algoma	281,550	.13½	.16	.13½	.15½
No	.15	.15	Aldermac	......	.15	.....	.....	.....
1	.09	.00¾	Alexandria	34,000	.02½	.02½	.02	.02½
1	.01½	.00¾	Algonquin	50,500	.00¾	.01	.00¾	.01
1	.01¼	.00¾	Amity C.	20,800	.00¾	.01¼	.00¾	.01
No	.22	.06	Amulet	19,220	.12	.17	.12	.16½
1	.00½	.00½	Apex	1,000	.00½	.00½	.00½	.00½
1	.02½	.01	Area	2,000	.01½	.02	.01½	.01½
No	.03	.00¾	Arno	19,000	.02½	.02	.01¾	.01¾
1	.02½	.02	Astoria Rouyn	......	.02½	.....	.....	.....
1	.07	.02	Bagamac	16,500	.03½	.04½	.03	.04½
1	.01½	.00¾	Baldwin	26,000	.01½	.01½	.01½	.01½
1	.12	.03½	Barry Hollinger	9,200	.09	.08	.07	.07½
No	1.00	.30	Base Metals	1,500	.56	.85	.65	.85
No	.12	.01	Bidgood	37,300	.03½	.03½	.03½	.03½
1	.16½	.04	Big Missouri	17,050	.09	.15	.09½	.14
1	.08½	.02	Bobjo	18,833	.04	.04½	.04	.04
1	.09	.02½	Brett Trethewey	10,000	.07	.07½	.06	.07
No	.03	.00¾	Brownlee	44,000	.02½	.02½	.01½	.02
1	.00½	.00¾	Buckingham	......	.00½	.....	.....	.....
No	.36	.02	Buffalo Can.	13,000	.04	.04	.02½	.03
No	.04	.01	Bunker Hill	12,000	.03½	.03½	.03½	.03½
5s	.50	.10	B'Wana McKubwa	......	.10	.....	.....	.....
No	.01	.00½	Cal. Flin Flon	......	.01	.....	.....	.....
No	.03	.02	Canam Metals	......	.02	.....	.....	.....
1	.04	.01½	Can. Kirkland	1,000	.02½	.02½	.02½	.02½
1	.09	.00¾	Canusa	5,500	.04½	.03½	.03	.03
No	.02½	.00¾	Capital Rouyn	......	.00¾	.....	.....	.....
1	.07	.02½	Cartier Malartic	500	.05	.04	.04	.04
1	.20	.09	Castle Trethewey	28,700	.14	.20	.14½	.19½
1	.09	.04	Cen. Manitoba	2,500	.09	.08½	.07	.08½
1	.09½	.02	Cen. Patricia	5,500	.08	.09½	.08	.09½
No	.07½	.01½	Chibougamau Pros.	2,500	.04	.05	.03½	.05
No	.02	.00¾	Clericy	36,000	.01	.02	.01½	.02
5	3.00	.45	Coast Copper	4,430	1.10	2.85	1.50	2.85
1	.02½	.00½	Cobalt Contact	7,000	.01½	.02½	.02	.02
No	.16	.15	Cobuc	......	.15½	.....	.....	.....
1	.08	.03	Columario	500	.05	.04½	.04½	.04½
5	.80	.69	Coniagas	......	.69	.....	.....	.....
No	.50	.28	Coniaurum	370	.40	.50	.40	.40
25	75.00	25.00	Cons. Smelters	8,153	57.00	73.00	55.50	69.00
No	12.65	9.00	Dome Mines	8,645	11.75	11.90	11.50	11.50
No	.10	.02	Dom. Explorers	11,500	.03½	.04	.03½	.04
1	.02	.00¾	Don Rouyn	2,000	.00¾	.02	.01	.02
	.04	.03½	Duparquet	......	.03½	.....	.....	.....
1	1.55	.76	Eldorado	18,110	1.32	1.36	1.26	1.29
No	1.30	.47	Falconbridge	10,030	1.11	1.30	1.10	1.15
1	.04	.00¾	Federal	1,000	.01½	.02	.02	.02
No	.00½	.00¾	Flintoba	......	.00¾	.....	.....	.....
No	.07	.00¾	Gem. Lake	7,000	.01½	.01½	.01½	.01½
1	.02½	.00¾	Goldale	......	.02	.....	.....	.....
10	.14	.05½	Goldfield	......	.14	.....	.....	.....
1	.00½	.00½	Gold Hill	......	.00½	.....	.....	.....
1	.04	.03	Goodfish	1,300	.03	.03	.03	.03
1	.02	.00½	Graham	1,000	.02	.01½	.01½	.01½
1	1.25	.50	Granada	6,760	1.00	1.02	.95	.95
1	.22	.08	Groselle	......	.08	.....	.....	.....
1	.02½	.01	Harker	......	.01	.....	.....	.....
1	.01½	.00½	Hilltop	95,000	.01½	.01½	.01½	.01½
5	5.70	4.24	Hollinger	7,955	5.40	5.75	5.30	5.60
1	.60	.26	Howey Gold	59,800	.48½	.60	.48½	.60
No	2.85	.92	Hudson Bay	8,055	2.35	2.85	2.25	2.85
No	.20	.13	Huronian	160	.15	.13	.13	.13
No	11.00	4.00	Int. Nickel	99,063	7.00	9.87	6.87	9.25
1	.01½	.00½	Jackson Manion	2,500	.01	.01	.01	.01
1	.23	.20	Keeley	400	.21	.20	.20	.20
1	.02½	.00½	Keora Mines	1,500	.01½	.01½	.01½	.01½
1	.70	.40	Kirk. Hud. Bay	1,700	.50	.55	.50	.50
1	.02½	.00½	Kirk. Hunton	2,000	.00¾	.00¾	.00¾	.00¾
1	.55	.19	Kirkland Lake	9,450	.37	.37	.35	.37
1	.03½	.00½	Kirkland Premier	......	.01½	.....	.....	.....
1	.13	.05	Kirk. Townsite	8,000	.08	.11	.08	.11
20c	.01½	.00½	Koot. Florence	8,500	.00¾	.00¾	.00¾	.00¾
1	.01½	.00¾	La Rose	......	.01½	.....	.....	.....
1	.41	.14	Lakeland	500	.15	.15	.15	.15
1	30.25	24.90	Lake Shore	1,867	29.50	30.10	29.50	29.95
1	.00½	.00½	Laval	......	.00½	.....	.....	.....
1	.07	.01½	Lebel Oro	......	.02½	.....	.....	.....
1	.41	.13	Macassa	34,100	.23½	.23	.21	.21½
1	.07	.02½	Malartic	14,500	.04	.04½	.04	.04½
1	.01½	.00¾	Malrobic	2,000	.00¾	.00¾	.00¾	.00¾
No	.06	.02	Mandy	......	.04	.....	.....	.....
No	.01½	.00½	Manitoba Basin	2,000	.00¾	.00¾	.00¾	.00¾
5	21.35	14.70	McIntyre	2,020	20.00	20.25	19.00	19.00
1	.35	.25	McKinley	775	.35	.35	.35	.35
No	.09½	.02½	McLeod River	102,500	.04½	.05½	.04	.04½
No	1.53	.58	Mining Corp.	6,225	1.35	1.48	1.35	1.48
1	.08½	.01½	Moffatt Hall	23,400	.03	.03½	.02½	.02½
1	.02½	.02½	Moneta	......	.02½	.....	.....	.....
1	.45	.19½	Moss	23,500	.30	.33	.30	.31
1	.02½	.00¾	Murphy	1,500	.01½	.01½	.01½	.01½
No	.03	.01	Newbec	2,500	.02	.02½	.02	.02½
5	1.15	.50	Nipissing	4,300	1.00	1.10	.90	1.10
No	19.80	12.50	Noranda	52,249	17.40	19.00	17.10	18.40
No	.24	.10	Nor. Canada	1,500	.20	.20	.18	.20
No	.01	.00½	Old Colony	3,000	.00½	.00½	.00½	.00½
1	.08	.05	Osisko	......	.07	.....	.....	.....
1	.16	.07	Parkhill	8,500	.10	.16	.12	.16
1	.13½	.11	Patricia Dent	......	.13	.....	.....	.....
1	.02	.01	Pawnee Kirk.	......	.01	.....	.....	.....
No	1.15	.35	Pend Oreille	15,400	.55	.90	.70	.90
1	.01½	.00½	Peterson Cobalt	2,500	.00¾	.01½	.00¾	.01½
1	4.10	3.00	Pioneer Gold B.C.	4,900	3.90	4.10	3.91	3.95
1	.00¾	.00½	Porcupine Crown	......	.00¾	.....	.....	.....
1	.02	.00¾	Potter Doal	500	.00½	.00½	.00½	.00½
	.12	.12	Powell Rouyn	......	.12	.....	.....	.....
1	.65	.32	Premier Gold	7,800	.55	.65	.55	.65
1	.00¾	.00½	Preston E. Dome	......	.00½	.....	.....	.....
No	.30	.15	Prospectors Air's	......	.18	.....	.....	.....
No	1.00	1.00	Quebec Pros.	......	1.00	.....	.....	.....
No	.10	.03	Quemont	3,500	.04	.10	.07½	.07½
No	.02½	.00½	Ribago	15,000	.00¾	.01½	.01	.01
1	.02½	.01	Ritchie	......	.02	.....	.....	.....
1	.01½	.00½	Robb Montbray	3,500	.01½	.00¾	.01½	.01½
1	.48	.25	San Antonio	6,716	.45	.46	.41	.44
1	.09	.07½	Seven Troughs	......	.07½	.....	.....	.....
1	.65	.18	Sherritt Gordon	91,560	.33	.42	.32	.41
1	.79	.50	Siscoe	57,220	.75½	.78	.74½	.76
1	.03	.00½	South Keora	7,000	.02	.02½	.02½	.02½
No	.02½	.00½	Stadacona	43,100	.01½	.02	.01½	.02
1	.17	.05	St. Anthony	1,600	.06	.07	.06½	.07
No	.60	.16	Sudbury Basin	3,675	.42	.55	.42	.55
1	.01½	.00¾	Sudbury Contact	......	.00¾	.....	.....	.....
1	.01	.00¾	Sudbury Mines	16,000	.00½	.00¾	.00¾	.00¾
1	.15	.07	Sullivan	4,600	.14	.15	.13	.13½
1	.75½	.39	Sylvanite	16,275	.66½	.72	.65	.72
1	.07	.01	Tashota	21,400	.02½	.03½	.02½	.03½
1	5.25	3.10	Teck Hughes	15,895	4.20	4.35	4.15	4.25
1	.04	.02	Thom Cadillac	8,500	.04	.04	.03½	.03½
1	.40	.10	Towagmac	2,600	.20	.25	.21	.25
1	3.00	1.01	Treadwell	200	1.75	1.75	1.75	1.75
1	.09½	.02	United Kirkland	......	.06½	.....	.....	.....
1	.04	.00½	Vacuum Gas	24,000	.02	.04	.02½	.04
No	.59	.16	Ventures	79,625	.50	.58½	.50	.58½
1	.17½	.04	Vickers	1,000	.06	.06	.06	.06
1	.45	.20	Vipond	1,633	.35	.35	.30	.30
No	1.00	.25	Waite Ackerman	......	.35	.....	.....	.....
1	.07	.01	White Lake	500	.01	.04	.04	.04
1	.01	.01	Wiltsey Coughlan	......	.01	.....	.....	.....
	.10	.04½	Wood Kirkland	1,500	.05½	.07	.07	.70
No	3.06	2.09	Wright-Hargreaves	14,895	2.90	3.05	2.82	3.02
			OIL STOCKS					
No	.19	.07½	Acme Gas & Oil	11,000	.13½	.16	.13½	.15½
1	1.17	.60	Ajax	1,000	.85½	.88	.83	.87
1	.12	.04½	Alta. Pacific	......	.05	.....	.....	.....
1	.03½	.02	Askalta	......	.03½	.....	.....	.....
No	.10	.02½	Associated	3,300	.02	.06	.04½	.05
No	.05	.01	Baltac	......	.05	.....	.....	.....
	.05½	.00½	Benton	......	.00½	.....	.....	.....
1	.06	.02½	Brit. Dominion	......	.03½	.....	.....	.....
No	.38	.14	Calgary & Ed.	200	.15	.29	.29	.29
1	.09	.04	Calmont	......	.05	.....	.....	.....
1	.11	.03	Common. Pete	......	.05	.....	.....	.....
No	.20	.06½	Dalhousie	......	.07	.....	.....	.....
No	.01	.01	Devenish	......	.01	.....	.....	.....
No	.02	.00½	Dome Oil	......	.00½	.....	.....	.....
No	.12½	.04	East Crest	2,000	.10½	.08	.08	.08
No	.01½	.01½	Fabyan Pete	......	.01½	.....	.....	.....
No	.10	.06	Foothills	1,000	.06	.06	.06	.06
No	.03½	.02	Freehold	......	.02	.....	.....	.....
1	.02	.00½	Great West	......	.00½	.....	.....	.....
No	.06½	.03	Hargal	......	.03	.....	.....	.....
No	.05	.02	High Sarcee	......	.02	.....	.....	.....
No	.47	.15	Home	30	.25	.20	.20	.20
No	.05	.01½	Homestead	......	.01½	.....	.....	.....
1	.50	.09	Homestead O. & G.	36,500	.18	.27	.20	.27
1	.01	.00½	Illinois Alberta	......	.00½	.....	.....	.....
No	.02½	.00½	Lethbridge	......	.00½	.....	.....	.....
No	.04	.04	Lowery	......	.04	.....	.....	.....
No	.02	.00½	Madison	......	.00½	.....	.....	.....
1	.15	.05½	Mayland	70	.06½	.07	.07	.07
No	.04	.01½	McD. Segur Ex.	......	.01½	.....	.....	.....
1	.04½	.01	McD. Segur N.	......	.01	.....	.....	.....
1	.50	.18	McLeod	......	.18	.....	.....	.....
No	.10½	.06½	Mercury	......	.07½	.....	.....	.....
No	.14	.04½	Merland	19,600	.08	.14	.10	.13
No	.15	.08½	Mill City Pete	......	.08½	.....	.....	.....
1	.20	.12½	Model	......	.13	.....	.....	.....
1	.05	.04	Monalta	......	.05	.....	.....	.....
1	.07	.03	Moose Mountain	......	.03	.....	.....	.....
1	.01	.01	New Federal	......	.01	.....	.....	.....
5	.14	.01	Nordon	5,800	.06½	.07½	.06	.06½
No	.05	.02	Oil Selection	20,100	.04	.05	.04	.05
No	.05	.02½	Okalta	......	.03	.....	.....	.....
100	15.00	15.00	Do., pref.	......	15.00	.....	.....	.....
No	.32	.09	Olga Gas & Oil	30,200	.26	.26½	.21	.21
No	.06½	.02	Penn. Pete	42,000	.05½	.06	.05	.05
No	20.00	20.00	Perfection Pete pfd.	....	20.00	.....	.....	.....
1	.28	.12	Petrol Oil & Gas	......	.15	.....	.....	.....
No	.14	.08	Ranchmen's	......	.09	.....	.....	.....
1	.01	.00½	Regent	......	.00½	.....	.....	.....
No	.02½	.01	Richfield	......	.01	.....	.....	.....
No	6.65	3.95	Royalite	10	5.25	6.00	6.00	6.00
1	.28	.05	Sarnia Oil	27,800	.11	.28	.11½	.25
1	.03	.01	Signal Hill	......	.01	.....	.....	.....
1	.20	.10	Spooner	......	.10	.....	.....	.....
No	.11	.05½	Sterling Pacific	......	.07	.....	.....	.....
1	.11	.07½	Turner Valley	......	.07½	.....	.....	.....
No	.08	.03	United	......	.03	.....	.....	.....
1	.09½	.03	Vulcan	......	.03	.....	.....	.....
No	.02	.00½	Wainwell	......	.00½	.....	.....	.....

VANCOUVER STOCK EXCHANGE
(Transactions for Week to August 2)

Par Val.	Range 1932 High	Low	Company	Sales	Close Aug. 1 (or last)	High for week	Low for week	Close Aug. 8
25c	.00½	.00½	Bayview	......	.00½	.....	.....	.....
20c	.05	.03½	Beaver Silver	10,400	.04	.04	.03¾	.03¾
25c	.02½	.01	Bluebird	10,000	.02	.01	.01	.01
1	.12	.04	Bridge River Cons.	80,750	.08	.10	.07	.09
25c	.01½	.01½	Cork Province	......	.01½	.....	.....	.....
1	.13	.02	Cotton Belt	......	.02	.....	.....	.....
	.01½	.01½	Dalhousie Mines	......	.01½	.....	.....	.....
1	.45	.15	George Copper	......	.20	.....	.....	.....
50c	.02	.01½	Geo. Enterprise	......	.02	.....	.....	.....
1	.05	.02	Georgia River	50,550	.03½	.05	.03	.03½
1	.24	.10	Golconda	......	.12	.....	.....	.....
50c	.08	.02	Grandview	16,400	.02½	.04½	.02½	.04
1	.01	.01	Independence	......	.01	.....	.....	.....
1	.01½	.01	Indian Mines	......	.01½	.....	.....	.....
1	.12	.09	Inter. Coal	......	.12	.....	.....	.....
1	.21	.21	Jack Waite	......	.21	.....	.....	.....
25c	.00½	.00½	Kootenay King	1,000	.00½	.00½	.00½	.00½
1	.19½	.07½	Lorne Gold	12,850	.08	.08½	.07½	.08½
10c	.02	.01	Lucky Jim	5,000	.01	.01	.01	.01
5c	.12	.05½	Metaline Metals	......	.05½	.....	.....	.....
1	.03	.00½	Morton Woolsey	......	.00½	.....	.....	.....
50c	.03	.00½	National Silver	55,000	.01½	.02½	.01½	.02
50c	.08½	.02	Noble Five	23,650	.02½	.04	.02½	.04
50c	.01	.00½	Oregon Copper	......	.00½	.....	.....	.....
1	4.11	3.00	Pioneer Gold	1,955	3.95	4.00	3.95	4.00
50c	.08½	.02	Porter Idaho	10,500	.03½	.05½	.04½	.05
No	.01	.00½	Premier Border	......	.01	.....	.....	.....
No	.28	.07½	Reeves McDonald	......	.07½	.....	.....	.....
1	.52	.21½	Reno Gold	6,000	.42	.45	.42	.42
1	.05	.02½	Ruth Hope	1,500	.03	.04	.04	.04
1	.03½	.02½	Silverado	200	.03½	.03½	.03½	.03½
25c	.02	.01	Silver Crest	20,500	.01	.01½	.01½	.01½
50c	.01½	.00½	Snowflake	27,000	.00½	.00½	.00½	.00½
20c	.02½	.01	Wellington	......	.01	.....	.....	.....
1	.04	.00½	Whitewater	2,000	.01	.02	.02	.02
No	.00¾	.00¾	Woodbine	500	.00⅜	.00⅜	.00⅜	.00⅜

DIVIDEND PAYERS

Company	Rate	Yield %	Company	Rate	Yield %
Ajax Oil	3c.	....	Petrol Oil	1c.	....
Coniaurum	3c.	....	Premier	12c.	18.45
Dome Mines	$1+20c.	10.43	Pioneer, B.C.	12c.	3.04
Hollinger	65c.	11.60	Royalite	50c.	....
Howe Sound	40c.	....	Siscoe	4c.	....
Lake Shore	$2+50c.	2.34	Sylvanite	4+½c.	6.25
McIntyre	$1.50	7.90	Teck Hughes	60c.	14.11
McLeod Oils	5c.	....	Wright-Har.	30c.	3.31
Noranda	50c.	2.71			

Pulleys, Saws, Mill Supplies
Belting for Every Need
N. SMITH BELTING WORKS
138-140-142 York St.
Toronto, Can.

QUEBEC LAND SURVEYORS
LINDSAY & BELANGER
C. C. Lindsay, C.E. & Q.L.S. Henri Belanger Q.L.S.
City and Country Property, Townsites, Mining Claims, Power Sites and Flooded Areas, Transmission Lines, Timber-limit boundaries, etc.
Architects' Building,
1135 Beaver Hall Hill, MONTREAL, Que.
Tel. LAncaster 7184

Established in 1880
By the late J. P. Langley, F.C.A.
J. P. LANGLEY & CO.
C. P. ROBERTS, C.A.
Chartered Accountants
G. S. HOLMESTED
Authorized Trustee in Bankruptcy Proceedings
Liquidator, Receiver, Etc.
Offices
McKINNON BUILDING
Elgin 5305-6 TORONTO

4%
COMPOUNDED HALF-YEARLY
Money grows rapidly at compound interest. Savings deposited with Canada Permanent earn the high rate of 4%, the interest being compounded half yearly.
Founded 1855
CANADA PERMANENT
Mortgage Corporation
320 Bay St., Toronto
Assets exceed $72,000,000

J. Harold McLean & Co.
Certified Public Accountants
Authorized Trustees and Liquidators
J. Harold McLean, C.P.A.
388 St. James St. West, LAncaster 9434

WHEN REMITTING SEND CANADIAN NATIONAL EXPRESS MONEY ORDERS

INVESTMENT SECURITIES
T. M. BELL & COMPANY LIMITED
Head Office:
SAINT JOHN, N.B.
Moncton Fredericton

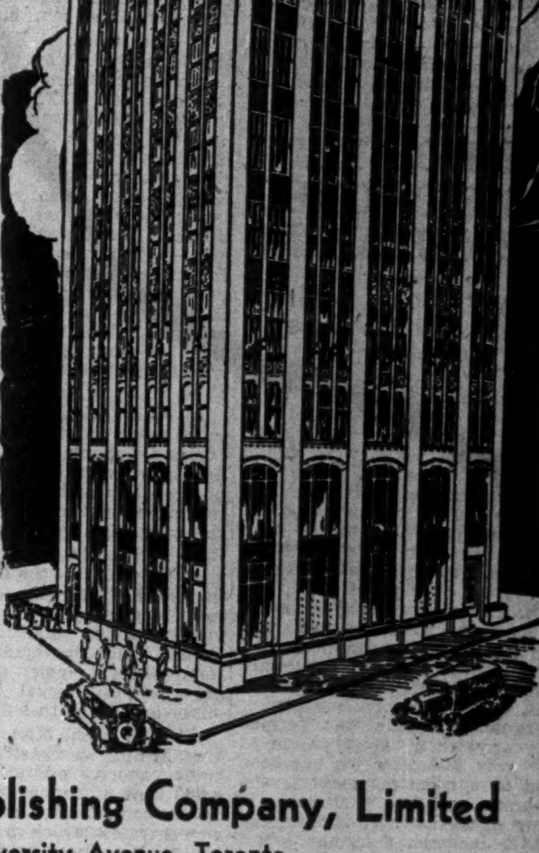
MILLAR, MACDONALD & CO.
CHARTERED ACCOUNTANTS
WINNIPEG WINDSOR

WILTON C. EDDIS & SONS
Established 1895
CHARTERED ACCOUNTANTS
Federal Building, Toronto

PIPE & ALLEN
QUALIFIED ACTUARIES
Specializing in Pension Fund organization and valuation, statistical analysis and Hollerith tabulation for casualty, fire and life insurance companies.
1240 Phillip Square MONTREAL Metropolitan Bldg., TORONTO

CLARKSON, GORDON, DILWORTH, GUILFOYLE & NASH
TORONTO OTTAWA WINDSOR
CLARKSON, McDONALD, CURRIE & COMPANY
MONTREAL and QUEBEC
Chartered Accountants
E. R. C. CLARKSON & SONS
Authorized Trustees and Receivers
15 WELLINGTON STREET WEST TORONTO

Moving to New Offices?
If so, you want thoroughly modern, fireproof offices served by swift elevators and flooded with sunlight and clean air. You want a central location, yet one that is free from traffic congestion and where plenty of nearby parking space is available. You want congenial neighbors, too, yet, very likely, you have definite ideas about the maximum rent you will pay.
Come, then, and inspect the MacLean Publishing Company's office building at University Avenue and Dundas Street, where there are a few small suites of offices available having each and every advantage enumerated above, at rentals that will attract you.



Apply to
The MacLean Publishing Company, Limited
143-153 University Avenue, Toronto
Phone: ADelaide 9131

Position of Chartered Banks of Canada as of June 30, 1932, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation	Balance Due to Dominion Government	Advances under Finance Act	Balances Due to Provincial Governments	Demand Deposits in Canada	Savings Deposits in Canada	Deposits Elsewhere	Bal. due to other banks in Canada	Due to Banks in U.K.	Due to Banks Elsewhere	Bills Payable	Letters of Credit outstanding	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities	Capital Authorised	Capital Subscribed	% Last dividend	Loans to Directors and firms of which they are partners*	Average gold and Coin Held	Average Dominion Notes Held	Greatest amount of notes in Circ.
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	%	$	$	$	$
Montreal	34,811,015	10,338,456	....	3,492,577	133,072,527	392,258,003	64,089,266	2,613,877	953,610	8,672,667	267,237	7,636,435	1,540,320	27,426	38,000,000	36,000,000	733,773,422	50,000,000	36,000,000	12	4,118,698	19,768,844	55,656,638	38,370,749
Nova Scotia	11,949,546	2,582,751	....	447,547	32,252,443	128,738,511	32,603,264	2,117,222	64,035	1,876,784	112,339	4,788,875	122,417	483,240	24,000,000	12,000,000	254,138,977	15,000,000	12,000,000	16	2,751,446	9,464,749	10,854,847	12,651,407
Toronto	6,267,489	1,694,895	....	1,168,159	22,389,887	59,816,882	....	127,991	211,474	1,302,130	....	818,215	153,728	4,936	9,000,000	6,000,000	108,955,790	10,000,000	6,000,000	12	1,612,975	369,600	7,133,100	6,517,004
Provinciale	3,588,514	1,333,638	1,000,000	28,951	4,300,310	32,152,917	....	....	....	24,295	....	11,424	34,683	7,265	1,500,000	4,000,000	47,982,000	5,000,000	4,000,000	9	632,971	229,930	426,019	3,824,278
Commerce	24,580,399	4,415,882	....	3,867,720	103,981,165	283,933,823	41,474,352	1,020,063	661,391	11,370,526	26,556	11,802,803	....	25,151	30,000,000	30,000,000	547,159,835	50,000,000	30,000,000	12	6,486,025	11,767,000	19,167,000	25,658,287
Royal	31,298,358	10,620,974	22,000,000	5,175,449	122,660,818	262,133,244	166,931,761	661,220	282,537	23,765,551	786,757	21,436,503	98,646	46,712	35,000,000	35,000,000	737,898,530	50,000,000	35,000,000	12	3,669,824	11,710,873	9,829,601	32,588,787
Dominion	6,348,055	1,584,764	....	550,874	26,960,474	63,010,839	1,742,502	621,037	117,334	1,234,059	....	1,033,988	234,682	211,566	9,000,000	7,000,000	119,650,179	10,000,000	7,000,000	12	1,624,191	624,000	4,264,000	6,683,090
Nationale	8,873,614	1,692,969	14,500,000	2,602,518	17,595,357	81,734,991	1,379,747	2,347,207	24,509	304,426	....	264,264	....	8,202	7,000,000	7,000,000	145,327,809	10,000,000	7,000,000	10	463,406	934,461	1,354,204	8,986,864
Imperial	8,315,720	1,939,155	3,000,000	3,331,233	24,778,855	68,786,667	....	1,327,983	1,209,791	1,451,903	....	654,830	....	2,030	8,000,000	7,000,000	129,798,170	10,000,000	7,000,000	12	463,662	467,832	1,960,321	8,692,805
Barclays (Canada)	263,205	213,521	....	....	945,744	699,464	....	201,558	2,206,231	1,358,076	....	45,678	....	....	500,000	500,000	6,933,480	500,000	500,000	......	....	11,568	118,345	285,865
Total	136,295,915	36,417,005	40,500,000	20,665,028	488,937,580	1,373,265,341	308,220,892	11,038,158	5,730,912	51,360,417	1,192,889	48,493,015	2,184,476	816,528	162,000,000	144,500,000	2,831,618,201	210,500,000	144,500,000	......	21,853,198	55,348,657	110,794,075	142,268,716

* And loans for which they are guarantors.

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin	Dominion Notes	Notes of other banks	United States and other foreign currencies	Cheques on other banks	Balances due from other banks in Canada	Due from banks in U.K.	Due from banks elsewhere	Government securities	Canadian municipal British and foreign securities	Railway and other bonds and Stocks	Call loans in Canada	Call loans elsewhere	Other current loans in Canada	Other current Loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-current loans	Real estate other than premises	Mortgages on real estate	Bank Premises	Letters of Credit	Deposit for note circulation	In central gold reserves*	Shares of and loans to controlled companies	Other assets	Total assets
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	19,587,958	60,215,913	2,656,057	360,805	27,103,186	2,895	1,497,360	22,302,870	171,533,938	48,242,996	9,418,863	4,011,208	15,424,680	240,710,429	19,052,918	10,496,982	49,733,947	4,145,345	414,304	1,271,212	14,500,000	7,636,435	1,692,109	6,000,000	265,797	60,817	736,328,035
Nova Scotia	9,628,669	9,677,889	838,411	1,426,908	8,078,049	....	1,205,163	7,829,979	36,289,404	15,841,816	8,233,285	10,529,752	2,364,997	96,987,521	11,699,917	4,008,620	11,414,128	886,405	....	111,974	8,156,914	4,788,875	574,400	1,500,000	2,780,181	93,964	254,947,282
Toronto	375,300	6,587,175	490,685	16,572	5,109,148	....	359,527	1,279,281	24,045,848	7,480,654	2,402,022	4,162,094	....	46,288,965	....	....	4,772,988	274,457	....	63,204	3,830,731	818,215	297,673	930,866	....	....	109,675,412
Provinciale	248,849	419,956	457,990	17,981	2,479,376	714,004	7,303	113,903	8,006,185	4,599,020	3,507,257	5,032,510	....	17,940,431	....	....	1,373,867	154,366	558,287	389,677	2,194,487	11,424	204,517	....	....	164,759	48,596,155
Commerce†	10,980,345	18,700,706	1,653,000	614,614	19,338,812	24,105	626,266	15,023,593	90,226,998	28,636,086	14,381,690	29,717,643	26,888,604	188,504,688	15,432,508	7,673,919	32,876,466	2,568,498	2,445,573	2,016,792	15,262,380	11,802,803	1,287,626	8,000,000	3,883,556	327,504	549,894,781
Royal‡	12,074,235	21,574,223	2,358,662	13,010,114	19,575,397	23,462	1,379,694	44,556,462	66,520,019	24,602,950	10,436,613	32,269,401	27,830,404	265,505,119	127,315,952	4,036,898	14,718,993	3,215,354	2,387,202	850,365	17,633,065	21,436,503	1,751,050	2,500,000	6,078,655	427,303	744,068,305
Dominion	628,947	4,699,900	690,980	43,893	4,423,635	....	110,911	1,215,701	19,557,916	5,498,141	2,906,046	9,895,928	1,158,073	58,171,147	1,265,692	....	1,354,433	473,549	72,149	23,997	6,024,310	1,033,988	339,940	400,000	....	136,730	120,126,015
Nationale§	980,234	1,581,981	614,595	57,845	5,236,714	345,322	16,121	703,430	23,569,172	13,163,112	3,410,198	7,012,259	....	61,507,910	128,703	5,522,981	11,312,086	296,079	1,156,881	793,921	5,957,827	264,264	366,017	2,000,000	....	83,347	146,061,009
Imperial	450,372	3,886,485	733,590	20,303	4,993,905	682,264	195,807	1,210,821	22,071,443	5,852,555	256,440	7,217,845	....	59,486,040	....	2,598,640	11,659,637	447,990	157,870	486,604	6,335,505	654,830	426,196	1,550,866	....	125,808	131,501,822
Barclays (Canada)	12,478	46,749	13,243	511	440,269	987,843	2,290,626	181,910	488,822	121,241	36,850	19,675	....	2,211,667	....	....	....	44,620	....	....	....	45,678	11,424	....	....	....	6,947,611
Total	54,967,387	127,390,977	10,507,213	15,569,546	96,868,491	2,779,895	7,688,778	95,417,950	462,309,745	152,038,571	54,983,264	109,868,315	73,666,758	1,037,313,917	174,895,690	34,338,040	139,216,545	12,506,663	7,192,266	6,007,746	79,895,219	48,493,015	6,950,952	22,881,732	13,008,189	1,420,439	2,848,177,363

---

*Of this deposit $11,081,732 is in gold coin; the balance is in Dominion notes.

*The business of the bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

†The figures of The Canadian Bank of Commerce (California) are incorporated in the above statement.—Footnote to Canadian Bank of Commerce return.

‡The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris, and the assets and liabilities of the Royal Bank of Canada (France) are included in the above statement.—Footnote to Royal Bank return.

§The assets and liabilities of the Banque Canadienne Nationale, France, same being considered a branch operating as a subsidiary of the Banque Canadienne Nationale, are included in above return.—Footnote to Banque Canadienne Nationale return.

Canadian Mining News

BRETT TRETHEWEY TO DECIDE DRILLING PLANS NEXT MONTH

New Wagon Road From Sultan is Ready End of September

Brett Trethewey Mines surface exploration work on its Swayze township finds proceeds in an unostentatious manner. It plans to continue this programme until the end of September when decision will be reached on a diamond-drilling campaign.

The find is regarded as one of the most important under development at the present time in Ontario and is pioneering interest in this new section about 125 miles northwest of Sudbury.

The strike was made last season by the exploration staff of Brett Trethewey in which Northern Canada Mining Corp. has a 37½ per cent interest. Since that time a party of eight has been maintained in the field under the direction of E. T. Corkill, consulting engineer. In a sheer zone 600 ft. wide and extending at least 5,000 ft. across the company's property 21 veins have been encountered showing a maximum width of from 9 to 10 ft. The last one encountered had an average width of 6 ft. and has been traced for 75 ft. to date. One feature of the development of these veins has been that its end has not yet been determined, work being stopped when the over-burden became excessive or around 10 ft. thick. Some of the veins have been apparently terminated by faults. Dr. J. B. Tyrrell, president of Northern Canada Mining Corp., recently returned from the property and pronounced it the most encouraging gold prospect it has been his privilege to witness. The exploration party is limited owing to transportation difficulties since all men and supplies are taken in by airplane. The airplane base has been shifted from Gogama to Chapleau, but Sulton, on the Canadian Pacific Railway, is the most accessible railway point and promises to assume greater importance when overland transportation is provided.

Road Being Built

Government engineers have made an examination of the property and are facilitating the company's efforts to the extent of assisting in building a road to the property from Sulton, the site of a former substantial lumbering operation. A road existed from Sulton to the old Ridout-Cunningham mine in Cunningham township, about 12 miles north of Sulton. This road is being rehabilitated, a new bridge installed and a two-mile diversion made from the old road. Northward for a distance of about 10 miles to Brett Lake, a new road is being cut through the bush where a gang of about 70 men are working. It is planned to have the road completed for wagon traffic within 60 days.

With more economical transportation provided it is thought likely an aggressive drilling campaign will be undertaken late this fall and the potentialities of the property rapidly determined.

MYSTERIOUS FIND AT BOSTON CREEK IS BEING EXAMINED

Porphyry Boss Said to Carry Good Values Over Big Area

It now transpires that the mysterious gold deposits, heralded last week as being one of the biggest finds of recent years, were in the Boston Creek area.

Interest in the mine centres about the tracing of narrow quartz veins that have heretofore been exploited for their values to a large porphyry boss that is said to carry values over great width and length. Little or nothing is known of the find, but the area was freely and favorably commented on in the bulletins issued ten years ago by the Ontario Department of Mines.

Norgold Syndicate was formed this year with a capitalization of 1,000 units, 500 of which has been issued to syndicate members, and 150 units sold at $100 each to finance operations. It is managed by H. E. Jackmen, a former Cobalt operator and Douglas Baird, a Toronto geologist, formerly with the Dome Mines. The syndicate has acquired a large block of territory in Boston and Pacaud townships including the Authier, Allied and Boston McCrea properties, the latter adjoining the Barry Hollinger Gold Mines on the east. It is understood the deal involves an option on the controlling interest in the Boston McCrea Mines which recently made arrangements with the Barry Hollinger to prospect its holdings by drifting from one of the lowest Barry Hollinger levels.

Diamond drilling has been contracted for and with a drill delivered on Wednesday, drilling will start at once. First work will be on the Authier claims to prospect the big porphyry boss that has been uncovered.

It is understood that a well known Toronto mining interests are making an examination of the property.

Atlantic Keystone Shifts Operations to California

A report from Los Angeles, Calif., said to be an interview with an official of the Atlantic Keystone Petroleum Corp., advises that the company has its interest in California and expects to acquire land to develop in that area, and that operations in Western Canada have been withdrawn.

The company held an extensive acreage under lease in Alberta, most of it wild cat acreage, and Canadian shareholders have been waiting for a drilling campaign to start.

The apparent withdrawing from Canada by the company is of particular interest to Canadian shareholders as, when the company was formed, it had a grandiose programme of consolidating many properties and a rosy outlook was stated as the company's future.

Non-Ferrous Industries Show Great Resistance To Low Metal Prices

1931 Figures Show All Plants Working, Some to Capacity

COPPER WORST HIT

Consumption by Metallurgical Industry Important to Many Other Industries

How well the non-ferrous smelting and refining industry in Canada has weathered the storm caused by the lowest base metal prices in history is told in a bulletin just issued by the Mining, Metallurgical & Chemical Branch of the Dominion Bureau of Statistics, Ottawa.

The principal metallurgical industries in Canada include the Aluminium Co. of Canada, operating reduction works at Arvida and Shawinigan Falls, Quebec. Aluminum pig is produced at both of these points, while aluminum ingots and fabricated products constitute the output of the company's plants at Shawinigan Falls.

At Noranda, Quebec, Noranda Mines continues to operate at full capacity treating its copper-gold ore, meanwhile making provision for doubling its concentrator capacity. The smelter product is in the form of copper anodes weighing approximately 700 pounds each, which are shipped to refining subsidiary, Canadian Copper Refineries, Ltd., at Montreal East. Here electrolytic copper is produced. In the adjacent mill of the Canada Wire and Cable Co., an allied corporation, production includes copper rods, drawn copper shaped for trolley wire, large and small drawn copper wire, either plain or tinned, medium or soft. Blister copper from the Flin Flon smelter of the Hudson Bay Mining & Smelting Co., in Manitoba, is also refined by the company.

International Nickel Co. of Canada at Copper Cliff, Ont., operates a concentrator and smelter at about 20 per cent capacity, producing blister copper and nickel sulphide. The blister copper is delivered to the adjacent Ontario Refining Co.'s plant, in which International Nickel has a 42 per cent interest, while the nickel sulphite produced by the Orford process is shipped to International Nickel's electrolytic nickel refinery at Port Colborne, Ont. Normally, the Coniston smelter of International Nickel produces nickel-copper matte from the Creighton ore which is shipped to Huntington, West Virginia, for the manufacture of "Monel Metal." This operation was temporarily closed down last month.

At the Ontario Refining Co., blister copper from the Granby Consolidated Mining and Smelting Co., at Anyox, B.C., is also refined. In 1931 the blister copper made by the Hudson Bay Mining & Smelting Co., from the copper concentrates produced by Sherritt-Gordon, were also refined. This latter operation has now been suspended. The Ontario Refining Co. also refines the precious metals found in blister copper. Its copper products consist of wire bars, ingot bars, small ingots, V. C. cakes, cathodes, slabs and billets. From this refining operation, selenium was first discovered in Canada in 1931.

In Falconbridge township, a few miles north of Sudbury, the Falconbridge Company continues capacity operations smelting about 325 tons of ore daily and producing a copper-nickel matte which is sent to the company's refining subsidiary, in Norway.

At Deloro, Ont., the Deloro Smelting & Refining Co. operates its metallurgical plant treating principally silver and cobalt from Cobalt, Ont., producing silver bullion, white arsenic, cobalt oxide, cobalt metal, nickel oxide and a silver-lead-bismuth bullion.

At Flin Flon, Man., the Hudson Bay Mining & Smelting Co. continue capacity operations treating 4,000 tons of copper-zinc ore daily in its concentrator and producing concentrates which are smelted—the blister copper being shipped to Montreal East for refining. The electrolytic zinc plant runs at capacity producing refined zinc. A cyanide plant recovers gold and silver from tailings. Cadmium precipitates are stored, pending the installation of a plant for their treatment.

At Trail, B.C., the Consolidated Mining & Smelting Co. has one of the leading metallurgical enterprises in the Dominion. Here, the lead-zinc ore from the Sullivan mines is smelted, producing refined lead and zinc, with silver, gold and cadmium as by-products. In 1931, a slag fuming department was added, which produces 23 per cent more zinc and 4 per cent more lead from the same ore than was formerly possible. The company's copper smelter is not in service.

At Anyox, B.C., Granby Consolidated Mining, Smelting & Power Co. continues operations producing blister copper, which is shipped to Ontario Refining Co. for refining. Operations are curtailed owing to copper prices, but costs have been persistently lowered.

The following figures show the importance of Canada's non-ferrous metallurgical industry:

The industry consumed during the twelve months ending December 31, 1931, 89,898 tons of Canadian bituminous coal valued at $449,927; 191,684 short tons of imported bituminous coal worth $1,009,717; 176,356 tons of coke for furnace charges valued at $1,565,927; 132,133 tons of coal for furnace charges worth $1,108,923; 9,329,424 gallons of fuel oil at $485,434; 196,645,979 kw.h. of electricity valued at $3,943,879, also considerable quantities of gasoline, wood, etc.: power employed included 29 steam engines rated at 16,512 h.p.; 11 gas and oil engines at 348 h.p.; 21 hydraulic turbines at 65,160 h.p.; 4,479 electric motors rated at 237,877 h.p., and 2,181 boilers of 119,716 h.p. capacity.

Principal Statistics of the Non-Ferrous Metallurgical Industries in Canada

	1930	1931
No. of companies..	10	11
No. of plants	13	14
Capital employed ..	$163,092,471	175,669,195
No. of salaried employees	788	878
Salaries ....$	2,009,895	2,131,079
No. of wage-earners	7,838	6,982
Wages ....$	11,786,229	11,114,248
Cost of fuel & electricity ....$	6,552,569	6,018,398
Estimated cost of ores, concent., etc., treated ....$	45,310,472	48,336,301
Value of smelter products	$100,946,136	98,565,755
Value added by smelting ....$	55,635,664	50,229,454

Sullivan Gold Plans 50-Ton Concentrator

Sullivan Consolidated Gold Mines is the latest property in North-western Quebec that is laying plans for a mill.

The Financial Post is officially informed that plans are under way for the construction of a 50-ton test mill at this property. Construction will be started during the winter months and it is anticipated that by early spring it will be in operation.

An aggressive development programme is under way, investigating "A" and other promising veins encountered in work done by the predecessor company, Sullivan Gold Mines. The property took on a new significance with the showing made by Siscoe Gold Mines in recent months. Work is under the direction of J. M. Forbes, who is also general manager of Siscoe.

FALCONBRIDGE EARNS $167,423 IN LAST QUARTER

Production is Steady With Plant Operating to Capacity

The quarterly report of Falconbridge Nickel Mines for the three months ended June 30, 1932, shows an operating profit of $167,423 as compared with $113,511 in the three months ended March 31.

Production was maintained on about the same level as in the first quarter with smelter operating to capacity.

The operating profit in the first six months amounts to approximately 8.8 cents on each of the 3,195,000 shares outstanding. This does not include the write-off or reserves which, in the fiscal year ended March 31, 1931, amounted to $326,503 for depreciation, or the equivalent of approximately 10 cents per share. On this basis the net profit for the first six months of this year is equivalent to approximately 3.8 cents per share.

The following is a tabulation of production for the second quarter of the current year and the first six months.

	Second Quarter 1932 $	First Six Mos. 1932 $
Tons of ore smelted .	30,690	61,895
Nickel in matte, lbs.	1,482,240	2,962,802
Copper in matte, lbs.	605,976	1,225,833
Refined nickel, lbs. ..	1,294,023	2,551,497
Refined copper, lbs. ..	481,144	948,364
Gross oper. profit, $	167,423	280,934

Tailings

The annual meeting of Granada Gold Mines is planned to be held in Toronto on Monday, August 22, at which time the annual financial statement of the company will be presented, and advice given as to the progress and present status of the property.

* * *

At the annual meeting of shareholders of Central Manitoba Mines held in Winnipeg, August 3, H. C. Davis was elected chairman of the board; Henry A. Wentworth, president of the company; and T. C. Anderson, vice-president and treasurer. These three gentlemen comprise the W. A. D. Syndicate which was responsible for the staking of the company's property and the formation of the company. The meeting was routine in nature, the balance of the directors including A. Murray, S. Ross, K.C. and Arthur D. Miles, being re-elected for the ensuing year.

* * *

Notwithstanding reports to the contrary, shaft-sinking operations at the Beattie Gold Mines in Northwestern Quebec were not suspended owing to the fatal accident recently reported. Simultaneous with the sinking of the shaft and the opening up of the property for production, construction of the mill is being proceeded with. Foundations are in for the machine shop and dry house, while the site is being cleared for the concentrator preparatory to starting construction.

* * *

Advice from Nanaimo, B.C., says that the colliery operations of Granby Consolidated Mining, Smelting & Power Co., at Cassidy, Vancouver Is., is closing down for good, the latter part of August. The principal production from this property has gone to the company's own coke ovens at Anyox, the site of its copper smelting operations.

* * *

The value of gold production by Siscoe Gold Mines for July amounted to $89,056 recovered from 5,550 tons of ore averaging $16.26 per ton in grade. This indicates a net recovery of $16.05 per ton and a daily average of 179 tons. This compares with an average recovery of $14.25 per ton in the three months ended June 30, when the mill averaged 174 tons daily.

Dome July Output Valued at $311,846

The value of the July production by Dome Mines was $311,846 from 13,378 tons of ore treated, or an average recovery of $7.20 per ton. Mill heads averaged $7.88.

This compares with an average recovery of $8.74 per ton for the three months ended June 30 and $7.17 per ton for the first quarter of 1932.

PIONEER'S OUTPUT CLOSE TO $400,000 FIRST SIX MONTHS

New Mill Expansion to 300 Tons Daily Nears Completion

Production by the Pioneer Gold Mines of B. C. in the first six months of 1932 was valued at approximately $400,000, according to a Vancouver report. This compares with a production of $725,681 in the fiscal year ended March 31, 1932.

The mill normally rated at 100 tons daily capacity has been handling an average of slightly over this amount, while mill heads have been close to $20 per ton with extraction averaging around about 95 per cent.

This month it is expected that the mill expansion programme, which has been under way in the past months will be brought into production increasing the capacity to 300 tons daily.

Simultaneous with the mill expansion a new vertical shaft has just been completed to the 1,625 foot horizon where a new electric hoist has been installed. Stations have been cut at 125 intervals from the 8th level down. At a depth of 1,560 feet a new vein was encountered in the shaft and again when cutting a station at the 1,625-ft. level. Here it is 5 ft. in width, well defined and dipping 80 degrees north. The average values at this point are said to be lower than the main vein but of a fair milling grade.

On the 1,000-ft. level, 2,000 ft. of drifting has been done—1,300 ft. west and 700 ft. east, all on the vein, which had made ore practically the whole distance. The vein varies in width from a few inches to several feet but is said to average about three to four feet.

The stock market has been reflecting the progress of the company and is currently close to its peak price of $4.11 per share. Earnings in the last fiscal year before reserves were $429,834 or approximately 25 cents per share. After the reserves, the net earnings were 12 cents per share, from which a dividend of 12 cents per share has been paid. With increased milling facilities it is anticipated that profits will increase to the extent that before write-offs, close to 75 cents per share will be shown.

Another Mine To Boost B. C. Flow of Gold

Increasing interest is being manifested in British Columbia's old gold producers as is witnessed by the announcement that the Kootenay Belle property in the Kootenay mining division is to be reopened.

The property is now owned by the Kootenay Belle Gold Mine Synd., headed by F. M. Black, of Kelowna, B.C., former chairman of the Fruit Control Board of Okanagan. It consists of eight Crown granted claims and fractions on Yellowstone Mountain between Wolf and Sheep Creeks about three miles from the Reno Gold Mines and about 40 miles east of the Trail smelter.

During the period from 1905 to 1911 the property was a small producer with a total output of 5,117 tons having a value in gold and silver of $124,966. In 1927 and 1928 eleven carloads of high grade ore were shipped out by a gravity tramway 9,000 ft. long and forwarded to the Trail smelter. It is said that about 12,000 tons of ore averaging $15 per ton is in sight.

Paymaster Mine Makes Urgent Plea For Funds

Shareholders of Paymaster Consolidated Mines have received an official notice urgently requesting shareholders to pledge themselves to take up treasury shares and thus relieve the financial crisis the company is now facing.

The statement says that interest due last June on $29,000 of outstanding notes is overdue and that on Aug. 15 taxes amounting to $3,000 and other incidental expenses makes it imperative that not less than $30,000 be raised at the present time. Shareholders are requested to sign a pledge taking up treasury shares at 10 cents each and remitting pro rata each month for the next four months on the basis of their present shareholdings. An effort is being made to raise funds from outside sources to permit of the further development of the property and to resume production, but in the meantime, funds are urgently required to meet present situation.

Trail Smelter Receipts

Following is a statement of the ore received at the Trail smelter for the period, July 22 to 31, inclusive:

	July 22 to 31 1932	Year to date
Bell, Beaverdell	50	1,048
Blackcock, Ymir	28	54
Bosun, Silverton	...	23
Boulder City Group, Boulder Spur	...	67
J. A. Carter, Zwicky	...	...
Catherine, Nelson ..	...	...
Clubine, Comstock, Boulder Spur	...	24
Gold Drop, Greenwood	3	53
Goodenough, Ymir ..	52	207
Highland Lass, Beaverdell	...	441
Keystone, Salmo	...	26
Knobhill, Republic ..	53	671
Little Daisy, Silverton	...	...
Lone Pine Republic .	...	31
Midnight, Rossland .	36	156
Minehaha, Danville ..	...	25
Mountain Lion, Republic	...	117
Nevada, Nelson	...	8
North Star, Greenwood	41	91
O'Brien Cobalt	...	127
Parvenue, Penticton .	2	2
Perrier, Nelson	...	825
Planet, Nicola	...	...
Redmond Republic ..	...	...
Reno, Salmo	...	30
Republic, Republic ..	...	80
Rio, Rambler	14	14
Royal Can., Nelson ..	...	2
Ruth, Sandon	...	...
Sally, Beaverdell	...	...
San Poil Republic ...	...	203
Silversmith, Sandon .	...	34
Sunset, Cascade	...	48
Trevitt, Republic	2	2
Union, Lynch Cr.	34	1,036
Vancouver, Salmo ...	26	98
Victor, Sandon	...	31
Wellington, Beaverdell	50	586
Wilcox, Ymir	...	...
Yankee Girl, Ymir ...	270	3,908
Total custom ore	495	10,268
Total co'y ore	6,333	210,452
Grand total	6,828	220,720

Canada's Principal Metal Mining Enterprises

In or Near Production in Midsummer 1932

Mine	Location	Principal Product	Capacity Tons Daily	Ore Treated 1931	Value 1931 Production†	Net Profit 1931†	Dividends 1931	Started Prod.	Remarks
British Columbia									
Britannia M. & S. Co.	Britannia B'ch	Copper	6,000	......	$2,500,000	......	No	1905	Wholly owned by Howe Sound Co.
Bralorne	Bridge River	Gold	100	......	......	......	No	1932	Operations started early in 1932.
Con. Smelters	Trail	Lead-zinc	6,000	1,647,773	15,670,946	800,031*	2,748,421	1907	Operations diversified.
Granby	Anyox	Copper	3,500	1,576,889	3,429,620	959,511*	668,361	1912	Operations curtailed.
Premier	Portland Canal	Gold	400	242,317	1,648,350	103,599	532,114	1919	Developing other properties.
Pioneer	Lillooet	Gold	125	......	......	......	600,610	1928	Increasing production to 300 tons daily.
Reno	Nelson Area	Gold	200	......	218,922	24,444	No	1929	1931 figures not out.
Manitoba									
Central Manitoba..	Wadhope	Gold	150	......	455,299	8,108	No	1928	More than meeting expenses.
Cryderman	Rice Lake	Gold	30	......	......	......	....	1932	Started in May to treat high grade.
Hudson Bay M. & S.	Flin Flon	Copper-zinc	4,000	1,096,657	5,342,784	1,029,928	No	1930	Making progress against low copper prices.
North Brit. M. & M.	Herb Lake	Gold	10	......	......	......	....	1932	Started operations in midsummer 1932.
Sherritt Gordon ..	Sheridon	Copper	900	214,081	1,330,784	4,843	No	1931	Struggling to meet low copper prices.
San Antonio	Rice Lake	Gold	150	......	......	......	No	1932	Operations just started.
Quebec									
Aldermac	Rouyn	Pyrite	250	......	......	......	No	1932	Operations started to test out mill.
Granada	Rouyn	Gold	100	......	......	......	No	1930	Operating figures not published.
Noranda	Rouyn	Copper-gold	2,000	1,012,005	10,506,233	2,374,041	1,119,886	1927	Mill expansion under way.
O'Brien-Cadillac ..	Cadillac	Gold	....	......	......	......	No	1932	New mill under erection.
Siscoe	Varson Twp.	Gold	175	55,575	742,812	312,442	No	1929	Dividends inaugurated in 1932
Treadwell Yukon ..	Pascalis	Gold	100	......	......	......	No	1932	Mill in process of erection.
Ontario									
Ankerite	Porcupine	Gold	200	......	......	......	No	1932	Operations resumed early in 1932 after a shut down.
Ashley	Matachewan	Gold	150	......	......	......	....	1932	Operation to start in fall 1932
Barry-Hollinger ...	Boston Creek	Gold	100	31,958	224,457	nil	No	1925	Met expenses first in 1931.
Coniaurum	Porcupine	Gold	350	130,585	785,708	6,210	Initial	1928	Initial dividend of 3 cents per share payable Aug. 15, 1932.
Dome	Porcupine	Gold	1,500	542,600	3,486,506	990,825	953,334	1910	Plans disbursing earnings as earned.
Falconbridge	Sudbury	Nickel	300	109,520	......	10,531	No	1930	Marketing all production.
Hayden	Porcupine	Gold	50	......	......	......	No	1932	New mill started in 1932.
Hollinger	Porcupine	Gold	4,500	1,640,705	10,094,459	3,508,204	3,444,000	1910	Report by Dr. Graton expected in October, 1932.
Howey	Red Lake	Gold	900	211,552	866,606	30,018*	No	1930	Steadily expanding output.
Int. Nickel	Sudbury	Nickel-copper	8,000	1,775,439	......	5,094,497	8,494,406	1887	Operating at about 20% of capacity.
Int. Radium	Wilberforce	Radium	150	......	......	......	No	1932	Tuning up.
Kerr Lake	Cobalt	Silver	25	......	......	......	....	1932	Started in May, 1932.
Kirkland Lake Gold	Kirkland Lake	Gold	150	52,628	586,251	203,051	No	1919	Deep development programme under way.
Lake Shore	Kirkland Lake	Gold	2,500	816,580	11,065,618	4,505,601	3,600,000	1918	Fiscal year ended June 30.
Minto	Michipicoten	Gold	50	9,448	72,824	......	No	1931	Initial operations profitable.
Miller Lake O'Brien	Gowganda	Silver	150	......	......	......	No	1910	Only producer in area. Private company.
Mining Corp.	Cobalt	Silver	....	......	596,690	347,000	No	1908	Operations curtailed owing to low silver prices.
Moss	Thunder Bay	Gold	100	......	......	......	No	1932	Mill started early in 1932.
McIntyre Porc. ...	Porcupine	Gold	2,000	617,425	4,756,880	1,293,484	798,000	1912	Fiscal year ended March 31, 1931.
O'Brien	Cobalt	Silver	....	......	......	......	No	....	Private company.
Parkhill	Michipicoten	Gold	75	9,082	68,811	......	No	1931	Operations started in midsummer 1931.
Sylvanite	Kirkland Lake	Gold	250	91,621	901,168	134,004	65,990	1928	Fiscal year ended March 31, 1931.
Teck-Hughes	Kirkland Lake	Gold	1,300	444,410	6,098,199	3,311,591	2,876,786	1917	Has deep development operation under way. Fiscal year ended Aug. 31, 1931.
Vipond	Porcupine	Gold	300	100,214	569,451	61,004	No	1924	Fiscal year ended July 31, 1931.
Wright-Hargreaves	Kirkland Lake	Gold	800	266,352	2,909,837	1,182,437	825,000	1921	Capacity increased late in 1931.

*Loss. †Or last fiscal year.

VENTURES PLANS 50-TON TEST MILL FOR ISLAND LAKE

Equipment to Be Taken in This Fall By Water Route

The rapidity with which Ventures Ltd. is developing its Island Lake holdings in Manitoba and laying plans for production is being widely commented on. When it is realized that the interest in this district only took definite form last November, following the discovery made by two Manitoba prospectors, H. S. Cowand and J. G. Reahill, the speed of development is noteworthy.

Island Lake is about 100 miles due east of Norway House at the northern end of Lake Winnipeg and is reached by a circuitous 175-mile water route from that point. A more popular route, however, is by airplane and the Canadian Airways, Ltd., has been using its big Junkers freight plane for conveying prospectors and equipment to the area.

Plans now call for the simultaneous sinking of a shaft and the construction of a 50-ton mill. Mill plans are being prepared by Ventures' engineers for a steam-operated plant. From Sherritt-Gordon will come a great deal of equipment which was used in the preliminary work of opening up that property.

Originally it was planned to assemble the equipment and take it in over the winter roads, but now plans call for assembly and transportation by the water route before the season closes navigation. Construction will proceed during the winter and it is hoped to start production next spring.

Hylo Well Catches Fire While Test Being Made

While a test was under way by the Turner Valley Conservation Board of the flow of the Hylo well, the gas caught fire, destroying the derrick and causing damage estimated at from $10,000 to $15,000.

The well had been held down to pressure of about 1,000 pounds under instructions of the board, and when the valve was opened up the gas caught fire. The well at last reports was out of control.

Herb Lake Company Is Planning Expansion

The North British Mining & Milling Co. which started operations last May at its gold property, the Ferro claims, at Herb Lake, Manitoba, with a ten-ton test mill, now plans a 50-ton mill to be completed this fall.

C. B. Morgan, president of the company, says the test mill has been running continuously to capacity since started. Four gold bricks had been produced to the latter part of July, totalling 322 ounces of gold of about 95 per cent purity recovered from 312 tons of quartz treated. This is an average recovery of approximately one oz. of gold per ton of ore.

A clean-up of the mill was made at the end of July producing another brick ready for shipment. About 20 men are employed at the property.

Georgia River Mines Resumes Work in B. C.

A crew has been sent into the property of the Georgia River Gold Mines, south of Stewart, B.C., preparatory to resuming development work. The present company was incorporated in 1925 as a reorganization of a company of similar name to refinance and continue development work. Considerable work has been done on the property and in 1931 the Bullion tunnel was advanced for the purpose of cutting the southwest vein under the ore shoot exposed in the No. 1 tunnel. Finances have curtailed the company's activities, but it is understood that arrangements have been made that will permit of exploration long deferred on account of financing.

Pascalis, Quebec's Newest Mining Townsite

—*Canadian Airways Ltd. picture.*

Less than two years ago that area now known as the Pascalis district was bush trod infrequently by prospectors. In September, 1930, Wm. "Hardrock" Smith made a find that attracted attention to the area which now has all the earmarks of an established camp. The picture above is the first airplane view of the new townsite of Pascalis, which boasts of a bank, store and all that go to make a modern mining townsite.

Edison Company Has Subsidiary To Serve Canada

The Canada Gazette of July 30 carries notice of the incorporation of Thomas A. Edison of Canada, Ltd., as a subsidiary of the Orange, New Jersey, company of similar name, for the purpose of manufacturing and dealing in Edison Storage Batteries and affiliated Edison equipment.

The announcement is of particular significance to mining men inasmuch as Edison Storage Batteries in past years have been largely used in storage battery locomotives for underground mining operations. The existing tariff on this class of equipment plus the exchange situation has increased the price of these batteries almost to the exclusion of their purchase.

Edison Safety Mine Lamp still remains the standard equipment in the gaseous coal mines of Western Canada.

Several years ago the Exide Batteries of Canada, Ltd., was formed as the Canadian subsidiary of the Electric Storage Battery Co. of Philadelphia. This company is now firmly entrenched in the manufacture of lead storage batteries for mining work. This competition may have prompted the Edison Co. to take steps to become established in Canada.

Montreal Grain Shipments

Grain receipts and deliveries at the Port of Montreal continue to show a slight increase over those of last year. Receipts, up to July 29th, amounted to 52,455,164 bushels, as compared with 50,218,962 bushels for the corresponding period of last year, while deliveries amounted to 52,188,136 bushels as compared with 48,811,088 bushels in 1931.

JAMES W. SEWALL
Timber Cruises and Valuations
JAMES W. SEWALL
Old Town, Maine
PHILLIPS & BENNER
Ruttan Block, Port Arthur, Ont.

NORTHERN CANADA MINING CORPORATION, LIMITED
Invests in Canadian Mines and Mining Properties
J. B. TYRRELL,
President and Managing Director,
Room 930, 25 King Street West,
TORONTO, CANADA

SURVEY EXPLORATION PHOTOGRAPHY TRANSPORT

REDUCE SURVEY COSTS
by using aerial surveys

No other method can accomplish comparable results in the same time or at the same cost. With a limited ground control, an aerial survey can attain any degree of accuracy within the limits of the scales obtainable. Full information and estimates from any Canadian Airways' office.

CANADIAN AIRWAYS LIMITED
MONTREAL WINNIPEG VANCOUVER
Toronto Office: 1430 Canadian Bank of Commerce Bldg.

Inactive and Extinct Mining Companies in Canada

The first book of its kind published in Canada covering approximately 2,750 mining companies all having been in existence during the past 35 years. 50c

THE FINANCIAL POST,
153 University Ave.,
Toronto.
Please send me postpaid a copy of Inactive and Extinct Mining Companies, .50 a copy.
Name ....
Address 87